

DOCKET SECTION

BEFORE THE
POSTAL RATE COMMISSION
WASHINGTON, D.C. 20268-0001

RECEIVED

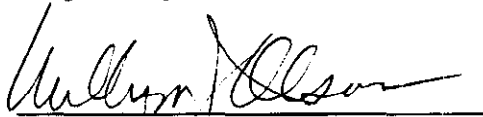
FEB 12 4 58 PM '98
Docket No. R97-1

POSTAL RATE AND FEE CHANGES, 1997)

RESPONSE OF NASHUA PHOTO INC., DISTRICT PHOTO INC.,
MYSTIC COLOR LAB, AND SEATTLE FILMWORKS, INC.
TO INTERROGATORIES
OF UNITED STATES POSTAL SERVICE (USPS/NDMS-T2-15-31)
(February 12, 1998)

Pursuant to sections 25 and 26 of the Postal Rate Commission rules of practice, Nashua Photo Inc., District Photo Inc., Mystic Color Lab, and Seattle FilmWorks, Inc., hereby provide the responses of witness John Haldi to the following interrogatories of the United States Postal Service: USPS/NDMS-T2-15-31, filed on January 28, 1998. Each interrogatory is stated verbatim and is followed by the response.

Respectfully submitted,



William J. Olson

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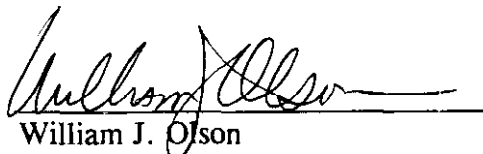
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Counsel for Nashua Photo Inc., District Photo Inc.,
Mystic Color Lab, and Seattle FilmWorks, Inc.

CERTIFICATE OF SERVICE

I hereby certify that I have this day served the foregoing document upon all participants of record in this proceeding in accordance with Section 12 of the Rules of Practice.



William J. Olson

February 12, 1998

USPS/NDMS-T2-15.

Please refer to your testimony at page 18, footnote 20, where you state that the "Commission subsequently recommended rates that imposed widely varying percentage increases between rate cells." Please provide the threshold of rate differences beyond which percentage increases in rates are to be considered "widely varying."

Response:

The question you cite occurs in my discussion about the procedure which the Postal Service uses to project the volume in each rate cell, along with my proposed alternate procedure. At the time I prepared my testimony, some points may have been left implicit. The reason for my alternate procedure is to avoid the anomalous situation where higher rates in certain cells and lower rates in other cells result in higher volume for the cells with disproportional increases in rates. What I perhaps failed to point out explicitly is that the elasticity of demand also plays a role. To see this, consider the extreme case where demand is totally inelastic. In that case, the projected volume would be the same, regardless of how the rate design allocated increases to individual cells. Thus, when I wrote about a "widely varying percentage increase between rate cells," it would have been better to note that the rather different percentage changes recommended by the Commission, *coupled with the relatively high elasticity of demand for Priority Mail*, were capable of resulting in widely varying outcomes.

Comparisons of percentage changes in different rate cells can be made in at least two ways. To illustrate, assume that the rate in the "first" cell increases by 15 percent, and the rate in the "second" cell increases by 3 percent. One way to view these changes in rates is to say that the difference between the first and second cells is 12 percent (*i.e.*, 15 percent - 3 percent). Another way to view these changes in rates is to say that the increase in the first cell is 5 times the increase in the second cell. Each of the above comparisons has merit, and helps put the percentage changes in context. Call the preceding example Scenario A.

Continuing, consider two other scenarios, with percentage rate changes as follows:

	<u>Scenario B</u>	<u>Scenario C</u>
First rate cell	13%	36%
Second rate cell	1%	24%

In each of these two scenarios, the difference between the first rate cell and the second rate cell is 12 percent. In scenario B, the increase in the first rate cell is 13 times the increase in the second rate cell, whereas in scenario C the increase in the first rate cell is only 1.5 times the increase in the second rate cell.

Now let me endeavor a direct answer to the question posed. In view of the relatively high elasticity of demand for Priority Mail, if pressed for a definition of the term I used, the threshold of rate differences beyond which percentage increases in rates could reasonably be considered widely varying are when (i) the difference in the percentage

increases exceeds 5 percent, AND (ii) the higher percentage increase exceeds 1.5 times the lower percentage increase. Note that both of these threshold conditions need to be exceeded in order for percentage changes to be considered as "widely varying."

Wholly irrespective of whether these rate increases are "widely varying," in the current docket I urge that my alternative volume projection approach be adopted as the better and more accurate approach overall.

Response of Dr. John Haldi to USPS/NDMS-T2-16
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USPS/NDMS-T2-16

Please refer to page 20, line 23, where you indicate that problems exist “when changes in individual rate cells vary widely.” Please provide the threshold of rate differences beyond which changes are to be considered to vary widely.

Response:

See my response to USPS/NDMS-T2-15.

USPS/NDMS-T2-17

Please refer to your testimony at page 22, line 1, where you refer to the Commission's rates as increasing "considerably more" than the rates proposed by the Postal Service in Docket No. R94-1. Please provide the threshold of difference in rate increase beyond which such changes are to be considered "considerably more."

Response:

Actually, I said that in "some instances" (*i.e.*, rate cells) the Commission recommended rate increases for 5- to 70-pound Priority Mail which were "considerably more" than the 10.4 percent average increase proposed by the Postal Service in Docket No. R94-1. *See* NDMS-T-2, p. 21, l. 18 to p. 22 l. 1. For example, for 15-pound Priority Mail sent to Zone 4, the Commission recommended a 31 percent increase. This increase is not only "considerably more," it is also "significantly higher" than the 10.4 percent across-the-board increase proposed by the Postal Service. Yet, due to the lower average increase recommended by the Commission, using the standard procedure for projecting After Rates volumes, the Commission's recommended rate increase resulted in a higher volume estimate for 15-pound Priority Mail sent to Zone 4 than did the Postal Service's proposed increase. As I discuss in the section of my testimony to which you refer, such estimates defy logic.

USPS/NDMS-T2-18

Please refer to your testimony at page 22, line 3, where you refer to "significantly" higher rates proposed by the Commission than proposed by the Postal Service. Please provide the threshold of difference in rate increase beyond which such changes are to be considered to be "significantly" higher.

Response:

See my response to USPS/NDMS-T2-17.

USPS/NDMS-T2-19

Please refer to your testimony at page 22, line 21, where you refer to growth rates that "were strikingly different." Please provide the threshold of difference in growth rates beyond which such differences in growth are to be considered "strikingly" different.

Response:

I have not developed any fixed threshold beyond which differences in growth rates become "striking." However, I was struck by the fact that 5-pound-and-under Priority Mail grew at three times the rate of 6- to 70-pound Priority Mail, a mailer response to higher than average rates which is completely missed by the standard procedure of projecting after rates volumes based on average proposed increases.

It is perhaps worth noting that should this trend in growth of the two weight groups of Priority Mail continue at the same rate, by 2006 the share of 6- to 70-pound pieces in total Priority Mail volume would decline by more than half, from 4.11 percent in FY 1996 to less than 2.00 percent, a striking reduction.

My dictionary defines "striking" as, *inter alia*, "noticeable or conspicuous," and this is the meaning I intended.

USPS/NDMS-T2-20

Please refer to your testimony at page 38, line 8, where you refer to “extremely wide averaging across all eight zones.” Please provide the threshold beyond which you would consider averaging to be “extremely wide.”

Response:

My discussion refers to the fact that costs for unzoned Priority Mail are averaged over every zone, from local through zone 8. There are alternative approaches. For example, the Postal Service might have collapsed the existing six zones into three different rates (*e.g.*, up to 600 miles, 601 to 1,400 miles, and more than 1,400 miles). Alternatively, the Postal Service might have averaged costs and rates over only two zones (*e.g.*, up to 1,000 miles, and more than 1,000 miles). Instead, it averaged costs and rates over *every possible zone; i.e.*, the *maximum*. Since there are no other zones over which costs and rates could be averaged, I consider such averaging to be *extremely* wide.

The word “extremely” is an adverb, derived from “extreme,” which is defined in the Random House College Dictionary as

of a character or kind farthest removed from the ordinary; utmost
or exceedingly great in degree; farthest from the center or middle;
outermost; endmost.

Averaging costs and rates over any number of zones less than the utmost, or maximum, would be below the threshold of “extremely wide.”

USPS/NDMS-T2-21

Please refer to your testimony at page 22, lines 10 through 12, where you ask: "Does elasticity apply to individual rate cells? That is, will higher-than-average rate increases in certain cells cause a higher-than-average reduction in volume in these cells?"

- a. Please confirm that the elasticity to which you refer is the own-price elasticity. If you do not confirm, please explain fully.
- b. Please provide any and all analyses preformed by you to develop own-price elasticity estimates for each rate cell.
- c. Please provide any and all analyses performed by you to develop cross-price elasticity estimates for each rate cell.

Response:

- (a) Confirmed.
- (b) See my testimony, NDMS-T-2, page 25, footnote 25.
- (c) I relied on demand studies and elasticity estimates provided by the Postal Service, and performed no such independent analyses.

USPS/NDMS-T2-22

Please refer to your testimony at page 22, lines 20 and 21, through page 23, line 3.

- a. Please provide any and all analyses performed by you of the total market for services similar to those provided by Priority Mail, specifically noting the growth rates for the segment of the market serving items weighting more than five pounds and for the segment of the market serving items weighing less than five pounds.
- b. If you are unable to provide information responsive to part a, please explain how you may confidently associate the difference in growth rates you have observed between the Priority Mail volume over five pounds and the volume under five pounds to be tied to the rate changes resulting from Docket No. R94-1.
- c. Have you performed any historical review to determine the growth rates of Priority Mail volume above and below five pounds separately? If so, please provide the results of such analysis.

Response:

- (a) I have performed no such analyses.
- (b) Growth in different segments of the expedited delivery market (*e.g.*, above and below 5 pounds) is obviously the result of a number of different forces. It would be desirable to have more data than have been made available by the Postal Service in its interrogatory responses, as well as an analysis of those data.
- (c) No.

USPS/NDMS-T2-23

Please refer to your testimony at page 26, note 27.

- a. If your proposal increases the proportion of heavy weight Priority Mail pieces and, therefore, the proportion of parcel shape and outside items, will this change in mail mix alter Priority Mail costs? Please explain fully.
- b. If your response to part a. was in the affirmative, did you make any attempt to adjust Priority Mail costs to reflect this changed mail mix? If so, please include in your response a detailed discussions to how you adjusted the cost separately for Priority Mail originating and destinating outside the PMPC network, originating outside the PMPC network and destinating inside the PMPC network, originating inside the PMPC network and destinating outside the PMPC network, and originating and destinating inside the PMPC network. Please show your calculations separately for each mailflow. Include in your response how you treated the PMPC costs elements provided in response to UPS/USPS-T33-45. If you did not make such adjustments, please explain fully why not.

Response:

- (a) and (b) In connection with its proposal to increase Priority Mail rates, the Postal Service did not submit any data showing separately the cost of handling Priority Mail parcels and outsides, *vis-a-vis* the cost of handling Priority Mail "non-parcels" (*i.e.*, letters, if any, and flats). However, testimony of UPS witness Sellick (UPS-T-2) claims that Priority Mail parcels have a unit cost that averages 19.5 cents more than non-parcels. That testimony was submitted on the same day as my testimony.
- UPS asserts that within Priority Mail, costs should be redistributed with the cost of non-parcels (most of which presumably weigh 2 pounds or

less) reduced, and the cost of parcels increased. The testimony of UPS witness Luciani includes the following statement (UPS-T-4, page 44, lines 9-16):

The 2.0 cents per pound adder for non-transportation costs in the Priority Mail rate design becomes 4.0 cents per pound with the contingency allowance and the institutional cost markup included. USPS-33N. This adder yields an additional 9.3 cents per piece in the rates charged for the average Priority Mail parcel in comparison to the average Priority Mail flat (4.0 cents per pound multiplied by the 2.32 pound weight difference between parcels and flats). This additional charge is significantly less than the 19.5 cents per piece mail processing cost difference between flats and parcels

For Priority Mail pieces weighing 6- to 70-pounds, the Postal Service and I project TYAR volumes of 46,140,703 and 46,757,467 pieces, respectively, using my alternate projection methodology in each case. The difference amounts to 616,764 pieces. At an additional cost of 19.5 cents per piece, total costs would increase by \$120,269, or \$121,472 including contingency. This is an increase of 0.0057 percent over my projected total cost of \$2,141,759,376, including contingency. My testimony did not attempt to adjust Priority Mail costs to reflect this changed mail mix.

USPS/NDMS-T2-24

Please refer to your testimony at page 22, lines 15 through 17, where you state that the current rates "are heavily weighted **against** heavier-weight zoned parcels, most especially in Zone L,1,2,3, Zone 4, and Zone 5." [Emphasis original.] Please also refer to your testimony at page 19 where you note that the Postal Service's proposed rates demonstrate that "invariably **the highest percentage increases are reserved for weights above 20 pounds shipped to Zones 6, 7 and 8.**" [Emphasis original.] Please confirm that the zones which you indicate have been most "heavily" targeted for increases by the Postal Service in this docket are not the zones most "heavily" targeted by the Commission's rate design in Docket No. R94-1. If you cannot confirm, please explain fully.

Response:

Confirmed. The Postal Service has requested Priority Mail rates in this docket which would disproportionately raise rates for mailpieces above 20 pounds sent to Zones 6, 7 and 8. At the same time, however, these proposed rates do not mitigate the effects of the Docket No. R94-1 rate increases to Zones L,1,2,3, Zone 4, and Zone 5. Instead, they would raise those rates even further. Under the Postal Service's proposal, heavyweight Priority Mail's burden of enabling lower-than-indicated rates for 2-pound-and-under Priority Mail will therefore be spread more evenly across all of the zoned rate cells.

USPS/NDMS-T2-25

Please refer to your testimony at page 23, line 6, where you state that the data presented by you in Table 2 "indicate that rates affect shippers' selection of services from the Postal Service."

- a. Please provide any and all analyses that you have performed of the relative rate changes experienced by shippers sending items weighing less than and more than five pounds via services other than the Postal Service.
- b. If you are unable to provide information in response to part a, please explain how you were able to determine that rate changes by competitors of the Postal Service did not influence the growth rate differences you have observed.

Response:

- (a) I have not analyzed relative rate changes experienced by shippers over any time period such as, for example, from the Base Year in Docket No. R94-1 (FY93) to the Base Year in Docket No. R97-1 (FY96). I have, however, compared proposed Priority Mail rates with the published rates of the Postal Service's principal competitors. That comparison is attached.¹ It is commonly accepted that published rates are discounted, sometimes significantly, to regular shippers. Following are some highlights of this comparison.
 - The unzoned 2 and 3 pound Priority Mail rate are lower, to all zones, than all competitors, including the UPS 3-day select rate.

¹ The sources for the attached tables are: (1) *FedEx Service Guide*, Rev. 7/97, Federal Express Corporation (effective July 1, 1997); *UPS Rate Chart*, Rev. 2/97, United Parcel Service (effective February 1, 1997); and "Airborne Express Rate Sheet for U.S. and Canadian Shipments," Airborne Express, June 5, 1997.

- The unzoned 2, 3, 4 and 5 pound Priority Mail rates are substantially lower, to all zones (including zone 2) than the 2-day rates of every competitor listed.
 - For parcels in excess of 18 pounds, **UPS 3-day select** published rates **are less than** Priority Mail rates to all zones beyond zone 3. The heavier the weight, the greater the rate difference. For example, a 70-pound package to zone 8 costs \$15.40 more via Priority Mail than via UPS 3-day select.
 - In comparison with **FedEx** and **UPS** published **2-day service**, Priority Mail zoned rates are generally lower to all zones, but the competitive rate advantage generally diminishes as weight increases. Discounting may eliminate Priority Mail's rate advantage altogether. (See my response to USPS/NDMS-T2-29 for further discussion on this point).
 - **Airborne's** published **2-day** rate is unzoned, hence Airborne is not competitive for close-in zones, while for packages in excess of 23 pounds to zone 8, Airborne's published 2-day rate **is actually less than** the Priority Mail rate.
- (b) The comparison of existing published rates with proposed Priority Mail rates is generally similar to that which I observed in Docket No. R94-1. With moderate discounting, Priority Mail's competitive advantage with published rates easily disappears or is reduced to a comparatively small rate advantage. Since Priority

Response of Dr. John Haldi to USPS/NDMS-T2-25
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Mail provides lackluster, inconsistent performance and a distinctly inferior quality of service (see my testimony at pages 69-70), shippers seeking reliable expedited delivery have little reason to use Priority Mail, except for dropshipments to SCFs.

**Comparison of Proposed Priority Mail Rates with Other Rates
Zone 2 (51 to 150 miles)**

Attachment to USPS/NDMS-T2-25

Weight Not Over (pounds)	1	2	3	4	5	6	7	8	9	10	11	12	13
	Priority Mail Proposed	FedEx 2Day	UPS 2nd Day Air	UPS 3 Day Select	Airborne Second Day	FedEx 2Day		UPS 2nd Day Air		UPS 3 Day Select		Airborne Second Day	
						Diff. - PM less FedEx	% Difference	Diff. - PM less UPS	% Difference	Diff. - PM less UPS	% Difference	Diff. - PM less Airb.	% Difference
2	\$3.20	\$7.25	\$6.50	\$4.60	\$7.75	(\$4.05)	-55.86%	(\$3.30)	-50.77%	(\$1.40)	-30.43%	(\$4.55)	-58.71%
3	4.40	7.75	7.00	5.00	8.50	(3.35)	-43.23%	(2.60)	-37.14%	(0.60)	-12.00%	(4.10)	-48.24%
4	5.50	8.25	7.50	5.40	9.00	(2.75)	-33.33%	(2.00)	-26.67%	0.10	1.85%	(3.50)	-38.89%
5	6.60	9.00	8.00	5.70	9.75	(2.40)	-26.67%	(1.40)	-17.50%	0.90	15.79%	(3.15)	-32.31%
6	6.75	9.75	8.75	6.10	11.00	(3.00)	-30.77%	(2.00)	-22.86%	0.65	10.66%	(4.25)	-38.64%
7	7.05	10.25	9.25	6.50	12.50	(3.20)	-31.22%	(2.20)	-23.78%	0.55	8.46%	(5.45)	-43.60%
8	7.35	11.00	9.75	6.90	13.75	(3.65)	-33.18%	(2.40)	-24.62%	0.45	6.52%	(6.40)	-46.55%
9	7.65	11.50	10.25	7.30	15.00	(3.85)	-33.48%	(2.60)	-25.37%	0.35	4.79%	(7.35)	-49.00%
10	8.10	12.00	10.75	7.70	16.00	(3.90)	-32.50%	(2.65)	-24.65%	0.40	5.19%	(7.90)	-49.38%
11	8.55	12.75	11.25	8.10	17.50	(4.20)	-32.94%	(2.70)	-24.00%	0.45	5.56%	(8.95)	-51.14%
12	9.00	13.25	12.00	8.50	18.75	(4.25)	-32.08%	(3.00)	-25.00%	0.50	5.88%	(9.75)	-52.00%
13	9.45	14.00	12.75	8.90	20.25	(4.55)	-32.50%	(3.30)	-25.88%	0.55	6.18%	(10.80)	-53.33%
14	9.90	14.75	13.25	9.30	21.50	(4.85)	-32.88%	(3.35)	-25.28%	0.60	6.45%	(11.60)	-53.95%
15	10.35	15.25	13.75	9.70	22.75	(4.90)	-32.13%	(3.40)	-24.73%	0.65	6.70%	(12.40)	-54.51%
16	10.80	15.75	14.25	10.10	24.00	(4.95)	-31.43%	(3.45)	-24.21%	0.70	6.93%	(13.20)	-55.00%
17	11.25	16.00	14.75	10.50	25.00	(4.75)	-29.69%	(3.50)	-23.73%	0.75	7.14%	(13.75)	-55.00%
18	11.70	16.50	15.25	10.90	26.00	(4.80)	-29.09%	(3.55)	-23.28%	0.80	7.34%	(14.30)	-55.00%
19	12.15	16.75	15.75	11.30	27.00	(4.60)	-27.46%	(3.60)	-22.86%	0.85	7.52%	(14.85)	-55.00%
20	12.55	17.25	16.25	11.70	28.00	(4.70)	-27.25%	(3.70)	-22.77%	0.85	7.26%	(15.45)	-55.18%
21	12.95	17.50	16.75	12.10	29.00	(4.55)	-26.00%	(3.80)	-22.69%	0.85	7.02%	(16.05)	-55.34%
22	13.35	18.00	17.25	12.50	30.00	(4.65)	-25.83%	(3.90)	-22.61%	0.85	6.80%	(16.65)	-55.50%
23	13.75	18.25	17.75	12.90	31.00	(4.50)	-24.66%	(4.00)	-22.54%	0.85	6.59%	(17.25)	-55.65%
24	14.15	18.75	18.25	13.30	32.00	(4.60)	-24.53%	(4.10)	-22.47%	0.85	6.39%	(17.85)	-55.78%
25	14.55	19.00	18.75	13.80	33.00	(4.45)	-23.42%	(4.20)	-22.40%	0.75	5.43%	(18.45)	-55.91%
26	14.95	19.50	19.25	14.20	34.00	(4.55)	-23.33%	(4.30)	-22.34%	0.75	5.28%	(19.05)	-56.03%
27	15.35	19.75	20.00	14.60	35.00	(4.40)	-22.28%	(4.65)	-23.25%	0.75	5.14%	(19.65)	-56.14%
28	15.75	20.25	20.75	15.00	36.00	(4.50)	-22.22%	(5.00)	-24.10%	0.75	5.00%	(20.25)	-56.25%
29	16.15	20.50	21.25	15.40	37.00	(4.35)	-21.22%	(5.10)	-24.00%	0.75	4.87%	(20.85)	-56.35%
30	16.40	21.00	21.75	15.80	38.00	(4.60)	-21.90%	(5.35)	-24.60%	0.60	3.80%	(21.60)	-56.84%
31	16.85	21.50	22.25	16.20	39.00	(4.65)	-21.63%	(5.40)	-24.27%	0.65	4.01%	(22.15)	-56.79%
32	17.30	22.00	22.75	16.60	40.00	(4.70)	-21.36%	(5.45)	-23.96%	0.70	4.22%	(22.70)	-56.75%
33	17.75	22.50	23.25	17.00	41.00	(4.75)	-21.11%	(5.50)	-23.66%	0.75	4.41%	(23.25)	-56.71%
34	18.25	23.00	23.75	17.40	42.00	(4.75)	-20.65%	(5.50)	-23.16%	0.85	4.89%	(23.75)	-56.55%
35	18.70	23.50	24.25	17.80	43.00	(4.80)	-20.43%	(5.55)	-22.89%	0.90	5.06%	(24.30)	-56.51%
36	19.15	24.00	24.75	18.20	44.00	(4.85)	-20.21%	(5.60)	-22.63%	0.95	5.22%	(24.85)	-56.48%
37	19.60	24.50	25.25	18.60	45.00	(4.90)	-20.00%	(5.65)	-22.38%	1.00	5.38%	(25.40)	-56.44%
38	20.05	25.00	25.75	19.00	46.00	(4.95)	-19.80%	(5.70)	-22.14%	1.05	5.53%	(25.95)	-56.41%
39	20.55	25.75	26.50	19.40	47.00	(5.20)	-20.19%	(5.95)	-22.45%	1.15	5.93%	(26.45)	-56.28%
40	21.00	26.25	27.25	19.80	48.00	(5.25)	-20.00%	(6.25)	-22.94%	1.20	6.06%	(27.00)	-56.25%

Comparison of Proposed Priority Mail Rates with Other Rates
Zone 2 (51 to 150 miles)

Attachment to USPS/NDMS-T2-25

	1	2	3	4	5	6	7	8	9	10	11	12	13
Weight Not Over (pounds)	Priority Mail Proposed	FedEx 2Day	UPS 2nd Day Air	UPS 3 Day Select	Airborne Second Day	FedEx 2Day		UPS 2nd Day Air		UPS 3 Day Select		Airborne Second Day	
						Diff. - PM less FedEx	% Difference	Diff. - PM less UPS	% Difference	Diff. - PM less UPS	% Difference	Diff. - PM less Airb.	% Difference
41	21.45	26.75	28.00	20.20	49.00	(5.30)	-19.81%	(6.55)	-23.39%	1.25	6.19%	(27.55)	-56.22%
42	21.90	27.25	28.50	20.60	50.00	(5.35)	-19.63%	(6.60)	-23.16%	1.30	6.31%	(28.10)	-56.20%
43	22.35	28.00	29.00	21.00	51.00	(5.65)	-20.18%	(6.65)	-22.93%	1.35	6.43%	(28.65)	-56.18%
44	22.85	28.50	29.50	21.40	52.00	(5.65)	-19.82%	(6.65)	-22.54%	1.45	6.78%	(29.15)	-56.06%
45	23.30	29.00	30.00	21.80	53.00	(5.70)	-19.66%	(6.70)	-22.33%	1.50	6.88%	(29.70)	-56.04%
46	23.75	29.50	30.50	22.20	54.00	(5.75)	-19.49%	(6.75)	-22.13%	1.55	6.98%	(30.25)	-56.02%
47	24.20	30.00	31.00	22.60	55.00	(5.80)	-19.33%	(6.80)	-21.94%	1.60	7.08%	(30.80)	-56.00%
48	24.65	30.75	31.75	23.00	56.00	(6.10)	-19.84%	(7.10)	-22.36%	1.65	7.17%	(31.35)	-55.98%
49	25.15	31.25	32.25	23.40	57.00	(6.10)	-19.52%	(7.10)	-22.02%	1.75	7.48%	(31.85)	-55.88%
50	25.60	31.75	32.75	23.80	58.00	(6.15)	-19.37%	(7.15)	-21.83%	1.80	7.56%	(32.40)	-55.86%
51	26.05	32.25	33.25	24.20	59.00	(6.20)	-19.22%	(7.20)	-21.65%	1.85	7.64%	(32.95)	-55.85%
52	26.50	32.75	33.75	24.60	60.00	(6.25)	-19.08%	(7.25)	-21.48%	1.90	7.72%	(33.50)	-55.83%
53	26.95	33.25	34.50	25.00	61.00	(6.30)	-18.95%	(7.55)	-21.88%	1.95	7.80%	(34.05)	-55.82%
54	27.45	33.75	35.00	25.40	62.00	(6.30)	-18.67%	(7.55)	-21.57%	2.05	8.07%	(34.55)	-55.73%
55	27.90	34.25	35.50	25.80	63.00	(6.35)	-18.54%	(7.60)	-21.41%	2.10	8.14%	(35.10)	-55.71%
56	28.35	34.75	36.00	26.20	64.00	(6.40)	-18.42%	(7.65)	-21.25%	2.15	8.21%	(35.65)	-55.70%
57	28.80	35.25	36.50	26.60	65.00	(6.45)	-18.30%	(7.70)	-21.10%	2.20	8.27%	(36.20)	-55.69%
58	29.25	35.75	37.00	27.00	66.00	(6.50)	-18.18%	(7.75)	-20.95%	2.25	8.33%	(36.75)	-55.68%
59	29.75	36.25	37.50	27.40	67.00	(6.50)	-17.93%	(7.75)	-20.67%	2.35	8.58%	(37.25)	-55.60%
60	30.20	36.75	38.00	27.80	68.00	(6.55)	-17.82%	(7.80)	-20.53%	2.40	8.63%	(37.80)	-55.59%
61	30.65	37.50	38.75	28.20	69.00	(6.85)	-18.27%	(8.10)	-20.90%	2.45	8.69%	(38.35)	-55.58%
62	31.10	38.00	39.50	28.60	70.00	(6.90)	-18.16%	(8.40)	-21.27%	2.50	8.74%	(38.90)	-55.57%
63	31.55	38.50	40.25	29.00	71.00	(6.95)	-18.05%	(8.70)	-21.61%	2.55	8.79%	(39.45)	-55.56%
64	32.05	39.00	40.75	29.40	72.00	(6.95)	-17.82%	(8.70)	-21.35%	2.65	9.01%	(39.95)	-55.49%
65	32.50	39.50	41.25	29.80	73.00	(7.00)	-17.72%	(8.75)	-21.21%	2.70	9.06%	(40.50)	-55.48%
66	32.95	40.25	41.75	30.30	74.10	(7.30)	-18.14%	(8.80)	-21.08%	2.65	8.75%	(41.15)	-55.53%
67	33.40	40.75	42.25	30.70	75.20	(7.35)	-18.04%	(8.85)	-20.95%	2.70	8.79%	(41.80)	-55.59%
68	33.85	41.25	42.75	31.10	76.30	(7.40)	-17.94%	(8.90)	-20.82%	2.75	8.84%	(42.45)	-55.64%
69	34.35	41.75	43.25	31.50	77.40	(7.40)	-17.72%	(8.90)	-20.58%	2.85	9.05%	(43.05)	-55.62%
70	34.80	42.25	43.75	31.90	78.50	(7.45)	-17.63%	(8.95)	-20.46%	2.90	9.09%	(43.70)	-55.67%

Comparison of Proposed Priority Mail Rates with Other Rates
Zone 3 (151 - 300 miles)

Attachment to USPS/NDMS-T2-25

	1	2	3	4	5	6	7	8	9	10	11	12	13
Weight Not Over (pounds)	Priority Mail Proposed	FedEx 2Day	UPS 2nd Day Air	UPS 3 Day Select	Airborne Second Day	FedEx 2Day		UPS 2nd Day Air		UPS 3 Day Select		Airborne Second Day	
						Diff. - PM less FedEx	% Difference	Diff. - PM less UPS	% Difference	Diff. - PM less UPS	% Difference	Diff. - PM less Airb.	% Difference
2	\$3.20	\$7.75	\$7.00	\$4.80	\$7.75	(\$4.55)	-58.71%	(\$3.80)	-54.29%	(\$1.60)	-33.33%	(\$4.55)	-58.71%
3	4.40	8.25	7.50	5.30	8.50	(3.85)	-46.67%	(3.10)	-41.33%	(0.90)	-16.98%	(4.10)	-48.24%
4	5.50	9.00	8.00	5.80	9.00	(3.50)	-38.89%	(2.50)	-31.25%	(0.30)	-5.17%	(3.50)	-38.89%
5	6.60	9.75	8.75	6.30	9.75	(3.15)	-32.31%	(2.15)	-24.57%	0.30	4.76%	(3.15)	-32.31%
6	6.75	10.75	9.50	6.80	11.00	(4.00)	-37.21%	(2.75)	-28.95%	(0.05)	-0.74%	(4.25)	-38.64%
7	7.05	11.50	10.25	7.30	12.50	(4.45)	-38.70%	(3.20)	-31.22%	(0.25)	-3.42%	(5.45)	-43.60%
8	7.35	12.25	11.00	7.80	13.75	(4.90)	-40.00%	(3.65)	-33.18%	(0.45)	-5.77%	(6.40)	-46.55%
9	7.65	13.00	11.75	8.30	15.00	(5.35)	-41.15%	(4.10)	-34.89%	(0.65)	-7.83%	(7.35)	-49.00%
10	8.10	13.75	12.50	8.80	16.00	(5.65)	-41.09%	(4.40)	-35.20%	(0.70)	-7.95%	(7.90)	-49.38%
11	8.55	14.50	13.25	9.30	17.50	(5.95)	-41.03%	(4.70)	-35.47%	(0.75)	-8.06%	(8.95)	-51.14%
12	9.00	15.25	14.00	9.80	18.75	(6.25)	-40.98%	(5.00)	-35.71%	(0.80)	-8.16%	(9.75)	-52.00%
13	9.45	15.75	14.50	10.30	20.25	(6.30)	-40.00%	(5.05)	-34.83%	(0.85)	-8.25%	(10.80)	-53.33%
14	9.90	16.75	15.00	10.80	21.50	(6.85)	-40.90%	(5.10)	-34.00%	(0.90)	-8.33%	(11.60)	-53.95%
15	10.35	17.25	15.50	11.30	22.75	(6.90)	-40.00%	(5.15)	-33.23%	(0.95)	-8.41%	(12.40)	-54.51%
16	10.80	17.75	16.25	11.80	24.00	(6.95)	-39.15%	(5.45)	-33.54%	(1.00)	-8.47%	(13.20)	-55.00%
17	11.25	18.25	17.00	12.20	25.00	(7.00)	-38.36%	(5.75)	-33.82%	(0.95)	-7.79%	(13.75)	-55.00%
18	11.70	18.75	17.50	12.70	26.00	(7.05)	-37.60%	(5.80)	-33.14%	(1.00)	-7.87%	(14.30)	-55.00%
19	12.15	19.00	18.00	13.20	27.00	(6.85)	-36.05%	(5.85)	-32.50%	(1.05)	-7.95%	(14.85)	-55.00%
20	12.55	19.50	18.75	13.70	28.00	(6.95)	-35.64%	(6.20)	-33.07%	(1.15)	-8.39%	(15.45)	-55.18%
21	12.95	20.00	19.50	14.20	29.00	(7.05)	-35.25%	(6.55)	-33.59%	(1.25)	-8.80%	(16.05)	-55.34%
22	13.35	20.50	20.25	14.70	30.00	(7.15)	-34.88%	(6.90)	-34.07%	(1.35)	-9.18%	(16.65)	-55.50%
23	13.75	21.00	20.75	15.20	31.00	(7.25)	-34.52%	(7.00)	-33.73%	(1.45)	-9.54%	(17.25)	-55.65%
24	14.15	21.50	21.50	15.70	32.00	(7.35)	-34.19%	(7.35)	-34.19%	(1.55)	-9.87%	(17.85)	-55.78%
25	14.55	22.00	22.00	16.20	33.00	(7.45)	-33.86%	(7.45)	-33.86%	(1.65)	-10.19%	(18.45)	-55.91%
26	14.95	22.50	22.50	16.70	34.00	(7.55)	-33.56%	(7.55)	-33.56%	(1.75)	-10.48%	(19.05)	-56.03%
27	15.35	22.75	23.25	17.20	35.00	(7.40)	-32.53%	(7.90)	-33.98%	(1.85)	-10.76%	(19.65)	-56.14%
28	15.75	23.25	24.00	17.60	36.00	(7.50)	-32.26%	(8.25)	-34.38%	(1.85)	-10.51%	(20.25)	-56.25%
29	16.15	23.75	24.50	18.10	37.00	(7.60)	-32.00%	(8.35)	-34.08%	(1.95)	-10.77%	(20.85)	-56.35%
30	16.40	24.25	25.25	18.60	38.00	(7.85)	-32.37%	(8.85)	-35.05%	(2.20)	-11.83%	(21.60)	-56.84%
31	16.85	24.75	26.00	19.10	39.00	(7.90)	-31.92%	(9.15)	-35.19%	(2.25)	-11.78%	(22.15)	-56.79%
32	17.30	25.50	26.50	19.60	40.00	(8.20)	-32.16%	(9.20)	-34.72%	(2.30)	-11.73%	(22.70)	-56.75%
33	17.75	26.00	27.00	20.10	41.00	(8.25)	-31.73%	(9.25)	-34.26%	(2.35)	-11.69%	(23.25)	-56.71%
34	18.25	26.75	27.75	20.60	42.00	(8.50)	-31.78%	(9.50)	-34.23%	(2.35)	-11.41%	(23.75)	-56.55%
35	18.70	27.25	28.50	21.10	43.00	(8.55)	-31.38%	(9.80)	-34.39%	(2.40)	-11.37%	(24.30)	-56.51%
36	19.15	28.00	29.25	21.60	44.00	(8.85)	-31.61%	(10.10)	-34.53%	(2.45)	-11.34%	(24.85)	-56.48%
37	19.60	28.50	29.75	22.10	45.00	(8.90)	-31.23%	(10.15)	-34.12%	(2.50)	-11.31%	(25.40)	-56.44%
38	20.05	29.25	30.25	22.60	46.00	(9.20)	-31.45%	(10.20)	-33.72%	(2.55)	-11.28%	(25.95)	-56.41%
39	20.55	29.75	30.75	23.00	47.00	(9.20)	-30.92%	(10.20)	-33.17%	(2.45)	-10.65%	(26.45)	-56.28%
40	21.00	30.50	31.50	23.50	48.00	(9.50)	-31.15%	(10.50)	-33.33%	(2.50)	-10.64%	(27.00)	-56.25%

Comparison of Proposed Priority Mail Rates with Other Rates
Zone 3 (151 - 300 miles)

Attachment to USPS/NDMS-T2-25

	1	2	3	4	5	6	7	8	9	10	11	12	13
Weight Not Over (pounds)	Priority Mail Proposed	FedEx 2Day	UPS 2nd Day Air	UPS 3 Day Select	Airborne Second Day	FedEx 2Day Diff. - PM less FedEx	% Difference	UPS 2nd Day Air Diff. - PM less UPS	% Difference	UPS 3 Day Select Diff. - PM less UPS	% Difference	Airborne Second Day Diff. - PM less Airb.	% Difference
41	21.45	31.25	32.25	24.00	49.00	(9.80)	-31.36%	(10.80)	-33.49%	(2.55)	-10.62%	(27.55)	-56.22%
42	21.90	31.75	33.00	24.50	50.00	(9.85)	-31.02%	(11.10)	-33.64%	(2.60)	-10.61%	(28.10)	-56.20%
43	22.35	32.50	33.75	25.00	51.00	(10.15)	-31.23%	(11.40)	-33.78%	(2.65)	-10.60%	(28.65)	-56.18%
44	22.85	33.00	34.25	25.50	52.00	(10.15)	-30.76%	(11.40)	-33.28%	(2.65)	-10.39%	(29.15)	-56.06%
45	23.30	33.75	35.00	26.00	53.00	(10.45)	-30.96%	(11.70)	-33.43%	(2.70)	-10.38%	(29.70)	-56.04%
46	23.75	34.25	35.50	26.50	54.00	(10.50)	-30.66%	(11.75)	-33.10%	(2.75)	-10.38%	(30.25)	-56.02%
47	24.20	35.00	36.25	27.00	55.00	(10.80)	-30.86%	(12.05)	-33.24%	(2.80)	-10.37%	(30.80)	-56.00%
48	24.65	35.50	37.00	27.50	56.00	(10.85)	-30.56%	(12.35)	-33.38%	(2.85)	-10.36%	(31.35)	-55.98%
49	25.15	36.25	37.75	28.00	57.00	(11.10)	-30.62%	(12.60)	-33.38%	(2.85)	-10.18%	(31.85)	-55.88%
50	25.60	36.75	38.25	28.50	58.00	(11.15)	-30.34%	(12.65)	-33.07%	(2.90)	-10.18%	(32.40)	-55.86%
51	26.05	37.50	38.75	29.00	59.00	(11.45)	-30.53%	(12.70)	-32.77%	(2.95)	-10.17%	(32.95)	-55.85%
52	26.50	38.00	39.50	29.40	60.00	(11.50)	-30.26%	(13.00)	-32.91%	(2.90)	-9.86%	(33.50)	-55.83%
53	26.95	38.75	40.25	29.90	61.00	(11.80)	-30.45%	(13.30)	-33.04%	(2.95)	-9.87%	(34.05)	-55.82%
54	27.45	39.25	41.00	30.40	62.00	(11.80)	-30.06%	(13.55)	-33.05%	(2.95)	-9.70%	(34.55)	-55.73%
55	27.90	40.00	41.50	30.90	63.00	(12.10)	-30.25%	(13.60)	-32.77%	(3.00)	-9.71%	(35.10)	-55.71%
56	28.35	40.50	42.00	31.40	64.00	(12.15)	-30.00%	(13.65)	-32.50%	(3.05)	-9.71%	(35.65)	-55.70%
57	28.80	41.25	42.75	31.90	65.00	(12.45)	-30.18%	(13.95)	-32.63%	(3.10)	-9.72%	(36.20)	-55.69%
58	29.25	41.75	43.25	32.40	66.00	(12.50)	-29.94%	(14.00)	-32.37%	(3.15)	-9.72%	(36.75)	-55.68%
59	29.75	42.25	43.75	32.90	67.00	(12.50)	-29.59%	(14.00)	-32.00%	(3.15)	-9.57%	(37.25)	-55.60%
60	30.20	43.00	44.50	33.40	68.00	(12.80)	-29.77%	(14.30)	-32.13%	(3.20)	-9.58%	(37.80)	-55.59%
61	30.65	43.50	45.00	33.90	69.00	(12.85)	-29.54%	(14.35)	-31.89%	(3.25)	-9.59%	(38.35)	-55.58%
62	31.10	44.25	45.75	34.40	70.00	(13.15)	-29.72%	(14.65)	-32.02%	(3.30)	-9.59%	(38.90)	-55.57%
63	31.55	44.75	46.50	34.90	71.00	(13.20)	-29.50%	(14.95)	-32.15%	(3.35)	-9.60%	(39.45)	-55.56%
64	32.05	45.50	47.25	35.30	72.00	(13.45)	-29.56%	(15.20)	-32.17%	(3.25)	-9.21%	(39.95)	-55.49%
65	32.50	46.25	48.00	35.80	73.00	(13.75)	-29.73%	(15.50)	-32.29%	(3.30)	-9.22%	(40.50)	-55.48%
66	32.95	46.75	48.50	36.30	74.10	(13.80)	-29.52%	(15.55)	-32.06%	(3.35)	-9.23%	(41.15)	-55.53%
67	33.40	47.50	49.25	36.80	75.20	(14.10)	-29.68%	(15.85)	-32.18%	(3.40)	-9.24%	(41.80)	-55.59%
68	33.85	48.00	49.75	37.30	76.30	(14.15)	-29.48%	(15.90)	-31.96%	(3.45)	-9.25%	(42.45)	-55.64%
69	34.35	48.75	50.50	37.80	77.40	(14.40)	-29.54%	(16.15)	-31.98%	(3.45)	-9.13%	(43.05)	-55.62%
70	34.80	49.50	51.25	38.30	78.50	(14.70)	-29.70%	(16.45)	-32.10%	(3.50)	-9.14%	(43.70)	-55.67%

Comparison of Proposed Priority Mail Rates with Other Rates
Zone 4 (301 - 600 miles)

Attachment to USPS/NDMS-T2-25

	1	2	3	4	5	6	7	8	9	10	11	12	13
Weight Not Over (pounds)	Priority Mail Proposed	FedEx 2Day	UPS 2nd Day Air	UPS 3 Day Select	Airborne Second Day	FedEx 2Day		UPS 2nd Day Air		UPS 3 Day Select		Airborne Second Day	
						Diff. - PM less FedEx	% Difference	Diff. - PM less UPS	% Difference	Diff. - PM less UPS	% Difference	Diff. - PM less Airb.	% Difference
2	\$3.20	\$8.25	\$7.50	\$5.10	\$7.75	(\$5.05)	-61.21%	(\$4.30)	-57.33%	(\$1.90)	-37.25%	(\$4.55)	-58.71%
3	4.40	9.25	8.50	5.80	8.50	(4.85)	-52.43%	(4.10)	-48.24%	(1.40)	-24.14%	(4.10)	-48.24%
4	5.50	10.00	9.25	6.40	9.00	(4.50)	-45.00%	(3.75)	-40.54%	(0.90)	-14.06%	(3.50)	-38.89%
5	6.60	11.00	10.00	6.90	9.75	(4.40)	-40.00%	(3.40)	-34.00%	(0.30)	-4.35%	(3.15)	-32.31%
6	6.90	12.00	10.75	7.50	11.00	(5.10)	-42.50%	(3.85)	-35.81%	(0.60)	-8.00%	(4.10)	-37.27%
7	7.60	13.25	11.75	8.10	12.50	(5.65)	-42.64%	(4.15)	-35.32%	(0.50)	-6.17%	(4.90)	-39.20%
8	8.30	14.00	12.75	8.70	13.75	(5.70)	-40.71%	(4.45)	-34.90%	(0.40)	-4.60%	(5.45)	-39.64%
9	9.00	15.25	13.75	9.30	15.00	(6.25)	-40.98%	(4.75)	-34.55%	(0.30)	-3.23%	(6.00)	-40.00%
10	9.75	16.00	14.75	9.90	16.00	(6.25)	-39.06%	(5.00)	-33.90%	(0.15)	-1.52%	(6.25)	-39.06%
11	10.45	17.25	15.50	10.50	17.50	(6.80)	-39.42%	(5.05)	-32.58%	(0.05)	-0.48%	(7.05)	-40.29%
12	11.15	18.00	16.25	11.10	18.75	(6.85)	-38.06%	(5.10)	-31.38%	0.05	0.45%	(7.60)	-40.53%
13	11.85	19.00	17.00	11.70	20.25	(7.15)	-37.63%	(5.15)	-30.29%	0.15	1.28%	(8.40)	-41.48%
14	12.60	20.25	18.00	12.30	21.50	(7.65)	-37.78%	(5.40)	-30.00%	0.30	2.44%	(8.90)	-41.40%
15	13.30	21.00	18.75	12.90	22.75	(7.70)	-36.67%	(5.45)	-29.07%	0.40	3.10%	(9.45)	-41.54%
16	14.00	21.50	19.75	13.50	24.00	(7.50)	-34.88%	(5.75)	-29.11%	0.50	3.70%	(10.00)	-41.67%
17	14.75	22.25	20.75	14.10	25.00	(7.50)	-33.71%	(6.00)	-28.92%	0.65	4.61%	(10.25)	-41.00%
18	15.45	22.75	21.50	14.70	26.00	(7.30)	-32.09%	(6.05)	-28.14%	0.75	5.10%	(10.55)	-40.58%
19	16.15	23.25	22.25	15.30	27.00	(7.10)	-30.54%	(6.10)	-27.42%	0.85	5.56%	(10.85)	-40.19%
20	16.85	24.00	23.00	15.90	28.00	(7.15)	-29.79%	(6.15)	-26.74%	0.95	5.97%	(11.15)	-39.82%
21	17.60	24.50	24.00	16.50	29.00	(6.90)	-28.16%	(6.40)	-26.67%	1.10	6.67%	(11.40)	-39.31%
22	18.30	25.00	24.75	17.10	30.00	(6.70)	-26.80%	(6.45)	-26.06%	1.20	7.02%	(11.70)	-39.00%
23	19.00	25.75	25.50	17.60	31.00	(6.75)	-26.21%	(6.50)	-25.49%	1.40	7.95%	(12.00)	-38.71%
24	19.75	26.25	26.25	18.20	32.00	(6.50)	-24.76%	(6.50)	-24.76%	1.55	8.52%	(12.25)	-38.28%
25	20.45	26.75	27.25	18.80	33.00	(6.30)	-23.55%	(6.80)	-24.95%	1.65	8.78%	(12.55)	-38.03%
26	21.15	27.50	28.00	19.40	34.00	(6.35)	-23.09%	(6.85)	-24.46%	1.75	9.02%	(12.85)	-37.79%
27	21.85	28.00	28.75	20.00	35.00	(6.15)	-21.96%	(6.90)	-24.00%	1.85	9.25%	(13.15)	-37.57%
28	22.60	28.50	29.50	20.60	36.00	(5.90)	-20.70%	(6.90)	-23.39%	2.00	9.71%	(13.40)	-37.22%
29	23.30	29.25	30.25	21.20	37.00	(5.95)	-20.34%	(6.95)	-22.98%	2.10	9.91%	(13.70)	-37.03%
30	24.00	29.75	31.25	21.80	38.00	(5.75)	-19.33%	(7.25)	-23.20%	2.20	10.09%	(14.00)	-36.84%
31	24.75	30.75	32.25	22.40	39.00	(6.00)	-19.51%	(7.50)	-23.26%	2.35	10.49%	(14.25)	-36.54%
32	25.45	31.50	33.00	23.00	40.00	(6.05)	-19.21%	(7.55)	-22.88%	2.45	10.65%	(14.55)	-36.38%
33	26.15	32.25	33.75	23.60	41.00	(6.10)	-18.91%	(7.60)	-22.52%	2.55	10.81%	(14.85)	-36.22%
34	26.85	33.00	34.50	24.20	42.00	(6.15)	-18.64%	(7.65)	-22.17%	2.65	10.95%	(15.15)	-36.07%
35	27.60	33.75	35.25	24.80	43.00	(6.15)	-18.22%	(7.65)	-21.70%	2.80	11.29%	(15.40)	-35.81%
36	28.30	34.50	36.00	25.40	44.00	(6.20)	-17.97%	(7.70)	-21.39%	2.90	11.42%	(15.70)	-35.68%
37	29.00	35.25	36.75	26.00	45.00	(6.25)	-17.73%	(7.75)	-21.09%	3.00	11.54%	(16.00)	-35.56%
38	29.75	36.00	37.75	26.50	46.00	(6.25)	-17.36%	(8.00)	-21.19%	3.25	12.26%	(16.25)	-35.33%
39	30.45	36.75	38.50	27.10	47.00	(6.30)	-17.14%	(8.05)	-20.91%	3.35	12.36%	(16.55)	-35.21%
40	31.15	37.50	39.25	27.70	48.00	(6.35)	-16.93%	(8.10)	-20.64%	3.45	12.45%	(16.85)	-35.10%

Comparison of Proposed Priority Mail Rates with Other Rates
Zone 4 (301 - 600 miles)

Attachment to USPS/NDMS-T2-25

	1	2	3	4	5	6	7	8	9	10	11	12	13
Weight Not Over (pounds)	Priority Mail Proposed	FedEx 2Day	UPS 2nd Day Air	UPS 3 Day Select	Airborne Second Day	FedEx 2Day		UPS 2nd Day Air		UPS 3 Day Select		Airborne Second Day	
						Diff. - PM less FedEx	% Difference	Diff. - PM less UPS	% Difference	Diff. - PM less UPS	% Difference	Diff. - PM less Airb.	% Difference
41	31.85	38.25	40.00	28.30	49.00	(6.40)	-16.73%	(8.15)	-20.38%	3.55	12.54%	(17.15)	-35.00%
42	32.60	39.00	40.75	28.90	50.00	(6.40)	-16.41%	(8.15)	-20.00%	3.70	12.80%	(17.40)	-34.80%
43	33.30	39.75	41.50	29.50	51.00	(6.45)	-16.23%	(8.20)	-19.76%	3.80	12.88%	(17.70)	-34.71%
44	34.00	40.50	42.25	30.10	52.00	(6.50)	-16.05%	(8.25)	-19.53%	3.90	12.96%	(18.00)	-34.62%
45	34.75	41.25	43.00	30.70	53.00	(6.50)	-15.76%	(8.25)	-19.19%	4.05	13.19%	(18.25)	-34.43%
46	35.45	42.00	44.00	31.20	54.00	(6.55)	-15.60%	(8.55)	-19.43%	4.25	13.62%	(18.55)	-34.35%
47	36.15	42.75	44.75	31.80	55.00	(6.60)	-15.44%	(8.60)	-19.22%	4.35	13.68%	(18.85)	-34.27%
48	36.85	43.50	45.50	32.40	56.00	(6.65)	-15.29%	(8.65)	-19.01%	4.45	13.73%	(19.15)	-34.20%
49	37.60	44.25	46.25	33.00	57.00	(6.65)	-15.03%	(8.65)	-18.70%	4.60	13.94%	(19.40)	-34.04%
50	38.30	45.00	47.00	33.60	58.00	(6.70)	-14.89%	(8.70)	-18.51%	4.70	13.99%	(19.70)	-33.97%
51	39.00	45.75	47.75	34.20	59.00	(6.75)	-14.75%	(8.75)	-18.32%	4.80	14.04%	(20.00)	-33.90%
52	39.75	46.50	48.50	34.80	60.00	(6.75)	-14.52%	(8.75)	-18.04%	4.95	14.22%	(20.25)	-33.75%
53	40.45	47.25	49.25	35.40	61.00	(6.80)	-14.39%	(8.80)	-17.87%	5.05	14.27%	(20.55)	-33.69%
54	41.15	48.00	50.00	36.00	62.00	(6.85)	-14.27%	(8.85)	-17.70%	5.15	14.31%	(20.85)	-33.63%
55	41.85	48.75	50.75	36.50	63.00	(6.90)	-14.15%	(8.90)	-17.54%	5.35	14.66%	(21.15)	-33.57%
56	42.60	49.50	51.50	37.10	64.00	(6.90)	-13.94%	(8.90)	-17.28%	5.50	14.82%	(21.40)	-33.44%
57	43.30	50.25	52.50	37.70	65.00	(6.95)	-13.83%	(9.20)	-17.52%	5.60	14.85%	(21.70)	-33.38%
58	44.00	51.00	53.25	38.30	66.00	(7.00)	-13.73%	(9.25)	-17.37%	5.70	14.88%	(22.00)	-33.33%
59	44.75	51.75	54.00	38.90	67.00	(7.00)	-13.53%	(9.25)	-17.13%	5.85	15.04%	(22.25)	-33.21%
60	45.45	52.50	55.00	39.50	68.00	(7.05)	-13.43%	(9.55)	-17.36%	5.95	15.06%	(22.55)	-33.16%
61	46.15	53.25	55.75	40.10	69.00	(7.10)	-13.33%	(9.60)	-17.22%	6.05	15.09%	(22.85)	-33.12%
62	46.85	54.00	56.50	40.70	70.00	(7.15)	-13.24%	(9.65)	-17.08%	6.15	15.11%	(23.15)	-33.07%
63	47.60	54.75	57.25	41.30	71.00	(7.15)	-13.06%	(9.65)	-16.86%	6.30	15.25%	(23.40)	-32.96%
64	48.30	55.50	58.00	41.80	72.00	(7.20)	-12.97%	(9.70)	-16.72%	6.50	15.55%	(23.70)	-32.92%
65	49.00	56.25	58.75	42.40	73.00	(7.25)	-12.89%	(9.75)	-16.60%	6.60	15.57%	(24.00)	-32.88%
66	49.75	57.25	59.75	43.00	74.10	(7.50)	-13.10%	(10.00)	-16.74%	6.75	15.70%	(24.35)	-32.86%
67	50.45	58.00	60.50	43.60	75.20	(7.55)	-13.02%	(10.05)	-16.61%	6.85	15.71%	(24.75)	-32.91%
68	51.15	58.75	61.50	44.20	76.30	(7.60)	-12.94%	(10.35)	-16.83%	6.95	15.72%	(25.15)	-32.96%
69	51.85	59.75	62.50	44.80	77.40	(7.90)	-13.22%	(10.65)	-17.04%	7.05	15.74%	(25.55)	-33.01%
70	52.60	60.50	63.25	45.30	78.50	(7.90)	-13.06%	(10.65)	-16.84%	7.30	16.11%	(25.90)	-32.99%

Comparison of Proposed Priority Mail Rates with Other Rates
Zone 5 (601 - 1,000 miles)

Attachment to USPS/NDMS-T2-25

	1	2	3	4	5	6	7	8	9	10	11	12	13
Weight Not Over (pounds)	Priority Mail Proposed	FedEx 2Day	UPS 2nd Day Air	UPS 3 Day Select	Airborne Second Day	FedEx 2Day		UPS 2nd Day Air		UPS 3 Day Select		Airborne Second Day	
						Diff. - PM less FedEx	% Difference	Diff. - PM less UPS	% Difference	Diff. - PM less UPS	% Difference	Diff. - PM less Airb.	% Difference
2	\$3.20	\$8.75	\$8.00	\$5.80	\$7.75	(\$5.55)	-63.43%	(\$4.80)	-60.00%	(\$2.60)	-44.83%	(\$4.55)	-58.71%
3	4.40	9.75	9.00	6.50	8.50	(5.35)	-54.87%	(4.60)	-51.11%	(2.10)	-32.31%	(4.10)	-48.24%
4	5.50	11.00	10.00	7.10	9.00	(5.50)	-50.00%	(4.50)	-45.00%	(1.60)	-22.54%	(3.50)	-38.89%
5	6.60	12.00	11.00	7.70	9.75	(5.40)	-45.00%	(4.40)	-40.00%	(1.10)	-14.29%	(3.15)	-32.31%
6	7.75	13.25	12.00	8.40	11.00	(5.50)	-41.51%	(4.25)	-35.42%	(0.65)	-7.74%	(3.25)	-29.55%
7	8.60	14.75	13.25	9.10	12.50	(6.15)	-41.69%	(4.65)	-35.09%	(0.50)	-5.49%	(3.90)	-31.20%
8	9.45	16.00	14.50	9.80	13.75	(6.55)	-40.94%	(5.05)	-34.83%	(0.35)	-3.57%	(4.30)	-31.27%
9	10.25	17.50	15.75	10.50	15.00	(7.25)	-41.43%	(5.50)	-34.92%	(0.25)	-2.38%	(4.75)	-31.67%
10	11.10	18.75	16.75	11.20	16.00	(7.65)	-40.80%	(5.65)	-33.73%	(0.10)	-0.89%	(4.90)	-30.63%
11	11.90	19.75	17.75	11.80	17.50	(7.85)	-39.75%	(5.85)	-32.96%	0.10	0.85%	(5.60)	-32.00%
12	12.75	21.00	18.75	12.50	18.75	(8.25)	-39.29%	(6.00)	-32.00%	0.25	2.00%	(6.00)	-32.00%
13	13.60	22.25	20.00	13.20	20.25	(8.65)	-38.88%	(6.40)	-32.00%	0.40	3.03%	(6.65)	-32.84%
14	14.40	23.25	21.00	13.90	21.50	(8.85)	-38.06%	(6.60)	-31.43%	0.50	3.60%	(7.10)	-33.02%
15	15.25	24.50	22.00	14.70	22.75	(9.25)	-37.76%	(6.75)	-30.68%	0.55	3.74%	(7.50)	-32.97%
16	15.50	25.25	23.00	15.40	24.00	(9.75)	-38.61%	(7.50)	-32.61%	0.10	0.65%	(8.50)	-35.42%
17	16.30	26.00	24.00	16.10	25.00	(9.70)	-37.31%	(7.70)	-32.08%	0.20	1.24%	(8.70)	-34.80%
18	17.10	26.75	25.00	16.80	26.00	(9.65)	-36.07%	(7.90)	-31.60%	0.30	1.79%	(8.90)	-34.23%
19	17.90	27.25	26.00	17.50	27.00	(9.35)	-34.31%	(8.10)	-31.15%	0.40	2.29%	(9.10)	-33.70%
20	18.70	28.00	27.00	18.20	28.00	(9.30)	-33.21%	(8.30)	-30.74%	0.50	2.75%	(9.30)	-33.21%
21	18.75	28.75	28.00	18.90	29.00	(10.00)	-34.78%	(9.25)	-33.04%	(0.15)	-0.79%	(10.25)	-35.34%
22	19.50	29.50	29.00	19.60	30.00	(10.00)	-33.90%	(9.50)	-32.76%	(0.10)	-0.51%	(10.50)	-35.00%
23	20.25	30.25	30.00	20.20	31.00	(10.00)	-33.06%	(9.75)	-32.50%	0.05	0.25%	(10.75)	-34.68%
24	21.05	31.00	31.00	20.90	32.00	(9.95)	-32.10%	(9.95)	-32.10%	0.15	0.72%	(10.95)	-34.22%
25	21.80	31.75	32.00	21.60	33.00	(9.95)	-31.34%	(10.20)	-31.88%	0.20	0.93%	(11.20)	-33.94%
26	22.55	32.50	33.00	22.30	34.00	(9.95)	-30.62%	(10.45)	-31.67%	0.25	1.12%	(11.45)	-33.68%
27	23.35	33.00	34.00	22.90	35.00	(9.65)	-29.24%	(10.65)	-31.32%	0.45	1.97%	(11.65)	-33.29%
28	24.10	33.75	35.00	23.50	36.00	(9.65)	-28.59%	(10.90)	-31.14%	0.60	2.55%	(11.90)	-33.06%
29	24.90	34.50	36.00	24.20	37.00	(9.60)	-27.83%	(11.10)	-30.83%	0.70	2.89%	(12.10)	-32.70%
30	25.65	35.25	37.00	24.90	38.00	(9.60)	-27.23%	(11.35)	-30.68%	0.75	3.01%	(12.35)	-32.50%
31	26.40	36.25	38.00	25.60	39.00	(9.85)	-27.17%	(11.60)	-30.53%	0.80	3.12%	(12.60)	-32.31%
32	27.20	37.00	38.75	26.30	40.00	(9.80)	-26.49%	(11.55)	-29.81%	0.90	3.42%	(12.80)	-32.00%
33	27.95	38.00	39.75	27.00	41.00	(10.05)	-26.45%	(11.80)	-29.69%	0.95	3.52%	(13.05)	-31.83%
34	28.70	38.75	40.50	27.70	42.00	(10.05)	-25.94%	(11.80)	-29.14%	1.00	3.61%	(13.30)	-31.67%
35	29.50	39.75	41.50	28.40	43.00	(10.25)	-25.79%	(12.00)	-28.92%	1.10	3.87%	(13.50)	-31.40%
36	30.25	40.50	42.25	29.10	44.00	(10.25)	-25.31%	(12.00)	-28.40%	1.15	3.95%	(13.75)	-31.25%
37	31.05	41.50	43.25	29.80	45.00	(10.45)	-25.18%	(12.20)	-28.21%	1.25	4.19%	(13.95)	-31.00%
38	31.80	42.25	44.25	30.50	46.00	(10.45)	-24.73%	(12.45)	-28.14%	1.30	4.26%	(14.20)	-30.87%
39	32.55	43.25	45.25	31.20	47.00	(10.70)	-24.74%	(12.70)	-28.07%	1.35	4.33%	(14.45)	-30.74%
40	33.35	44.00	46.25	31.90	48.00	(10.65)	-24.20%	(12.90)	-27.89%	1.45	4.55%	(14.65)	-30.52%

Comparison of Proposed Priority Mail Rates with Other Rates
Zone 5 (601 - 1,000 miles)

Attachment to USPS/NDMS-T2-25

	1	2	3	4	5	6	7	8	9	10	11	12	13
Weight Not Over (pounds)	Priority Mail Proposed	FedEx 2Day	UPS 2nd Day Air	UPS 3 Day Select	Airborne Second Day	FedEx 2Day		UPS 2nd Day Air		UPS 3 Day Select		Airborne Second Day	
						Diff. - PM less FedEx	% Difference	Diff. - PM less UPS	% Difference	Diff. - PM less UPS	% Difference	Diff. - PM less Airb.	% Difference
41	34.10	45.00	47.00	32.60	49.00	(10.90)	-24.22%	(12.90)	-27.45%	1.50	4.60%	(14.90)	-30.41%
42	34.85	45.75	47.75	33.30	50.00	(10.90)	-23.83%	(12.90)	-27.02%	1.55	4.65%	(15.15)	-30.30%
43	35.65	46.75	48.75	34.00	51.00	(11.10)	-23.74%	(13.10)	-26.87%	1.65	4.85%	(15.35)	-30.10%
44	36.40	47.50	49.75	34.70	52.00	(11.10)	-23.37%	(13.35)	-26.83%	1.70	4.90%	(15.60)	-30.00%
45	37.20	48.50	50.75	35.40	53.00	(11.30)	-23.30%	(13.55)	-26.70%	1.80	5.08%	(15.80)	-29.81%
46	37.95	49.25	51.75	36.10	54.00	(11.30)	-22.94%	(13.80)	-26.67%	1.85	5.12%	(16.05)	-29.72%
47	38.70	50.25	52.50	36.80	55.00	(11.55)	-22.99%	(13.80)	-26.29%	1.90	5.16%	(16.30)	-29.64%
48	39.50	51.00	53.25	37.50	56.00	(11.50)	-22.55%	(13.75)	-25.82%	2.00	5.33%	(16.50)	-29.46%
49	40.25	52.00	54.25	38.20	57.00	(11.75)	-22.60%	(14.00)	-25.81%	2.05	5.37%	(16.75)	-29.39%
50	41.00	52.75	55.25	38.90	58.00	(11.75)	-22.27%	(14.25)	-25.79%	2.10	5.40%	(17.00)	-29.31%
51	41.80	53.75	56.25	39.60	59.00	(11.95)	-22.23%	(14.45)	-25.69%	2.20	5.56%	(17.20)	-29.15%
52	42.55	54.50	57.25	40.20	60.00	(11.95)	-21.93%	(14.70)	-25.68%	2.35	5.85%	(17.45)	-29.08%
53	43.35	55.50	58.00	40.90	61.00	(12.15)	-21.89%	(14.65)	-25.26%	2.45	5.99%	(17.65)	-28.93%
54	44.10	56.25	58.75	41.60	62.00	(12.15)	-21.60%	(14.65)	-24.94%	2.50	6.01%	(17.90)	-28.87%
55	44.85	57.25	59.75	42.30	63.00	(12.40)	-21.66%	(14.90)	-24.94%	2.55	6.03%	(18.15)	-28.81%
56	45.65	58.00	60.75	43.00	64.00	(12.35)	-21.29%	(15.10)	-24.86%	2.65	6.16%	(18.35)	-28.67%
57	46.40	59.00	61.75	43.70	65.00	(12.60)	-21.36%	(15.35)	-24.86%	2.70	6.18%	(18.60)	-28.62%
58	47.15	59.75	62.50	44.30	66.00	(12.60)	-21.09%	(15.35)	-24.56%	2.85	6.43%	(18.85)	-28.56%
59	47.95	60.75	63.50	45.00	67.00	(12.80)	-21.07%	(15.55)	-24.49%	2.95	6.56%	(19.05)	-28.43%
60	48.70	61.75	64.50	45.70	68.00	(13.05)	-21.13%	(15.80)	-24.50%	3.00	6.56%	(19.30)	-28.38%
61	49.50	62.50	65.50	46.40	69.00	(13.00)	-20.80%	(16.00)	-24.43%	3.10	6.68%	(19.50)	-28.26%
62	50.25	63.50	66.50	47.10	70.00	(13.25)	-20.87%	(16.25)	-24.44%	3.15	6.69%	(19.75)	-28.21%
63	51.00	64.50	67.50	47.80	71.00	(13.50)	-20.93%	(16.50)	-24.44%	3.20	6.69%	(20.00)	-28.17%
64	51.80	65.50	68.50	48.40	72.00	(13.70)	-20.92%	(16.70)	-24.38%	3.40	7.02%	(20.20)	-28.06%
65	52.55	66.50	69.50	49.10	73.00	(13.95)	-20.98%	(16.95)	-24.39%	3.45	7.03%	(20.45)	-28.01%
66	53.30	67.25	70.50	49.80	74.10	(13.95)	-20.74%	(17.20)	-24.40%	3.50	7.03%	(20.80)	-28.07%
67	54.10	68.25	71.50	50.50	75.20	(14.15)	-20.73%	(17.40)	-24.34%	3.60	7.13%	(21.10)	-28.06%
68	54.85	69.25	72.50	51.20	76.30	(14.40)	-20.79%	(17.65)	-24.34%	3.65	7.13%	(21.45)	-28.11%
69	56.65	70.25	73.50	51.90	77.40	(13.60)	-19.36%	(16.85)	-22.93%	4.75	9.15%	(20.75)	-26.81%
70	56.40	71.25	74.50	52.60	78.50	(14.85)	-20.84%	(18.10)	-24.30%	3.80	7.22%	(22.10)	-28.15%

Comparison of Proposed Priority Mail Rates with Other Rates
Zone 6 (1,001 - 1,400 miles)

Attachment to USPS/NDMS-T2-25

	1	2	3	4	5	6	7	8	9	10	11	12	13
Weight Not Over (pounds)	Priority Mail Proposed	FedEx 2Day	UPS 2nd Day Air	UPS 3 Day Select	Airborne Second Day	FedEx 2Day		UPS 2nd Day Air		UPS 3 Day Select		Airborne Second Day	
						Diff. - PM less FedEx	% Difference	Diff. - PM less UPS	% Difference	Diff. - PM less UPS	% Difference	Diff. - PM less Airb.	% Difference
2	\$3.20	\$9.50	\$8.50	\$6.10	\$7.75	(\$6.30)	-66.32%	(\$5.30)	-62.35%	(\$2.90)	-47.54%	(\$4.55)	-58.71%
3	4.40	10.75	9.75	7.00	8.50	(6.35)	-59.07%	(5.35)	-54.87%	(2.60)	-37.14%	(4.10)	-48.24%
4	5.50	12.00	11.00	7.80	9.00	(6.50)	-54.17%	(5.50)	-50.00%	(2.30)	-29.49%	(3.50)	-38.89%
5	6.60	13.75	12.25	8.50	9.75	(7.15)	-52.00%	(5.65)	-46.12%	(1.90)	-22.35%	(3.15)	-32.31%
6	7.80	15.50	13.75	9.30	11.00	(7.70)	-49.68%	(5.95)	-43.27%	(1.50)	-16.13%	(3.20)	-29.09%
7	9.10	17.25	15.25	10.10	12.50	(8.15)	-47.25%	(6.15)	-40.33%	(1.00)	-9.90%	(3.40)	-27.20%
8	10.05	19.00	16.75	11.00	13.75	(8.95)	-47.11%	(6.70)	-40.00%	(0.95)	-8.64%	(3.70)	-26.91%
9	11.00	20.50	18.25	11.80	15.00	(9.50)	-46.34%	(7.25)	-39.73%	(0.80)	-6.78%	(4.00)	-26.67%
10	11.90	21.75	19.75	12.60	16.00	(9.85)	-45.29%	(7.85)	-39.75%	(0.70)	-5.56%	(4.10)	-25.63%
11	12.85	23.25	21.00	13.40	17.50	(10.40)	-44.73%	(8.15)	-38.81%	(0.55)	-4.10%	(4.65)	-26.57%
12	13.80	24.75	22.25	14.20	18.75	(10.95)	-44.24%	(8.45)	-37.98%	(0.40)	-2.82%	(4.95)	-26.40%
13	14.70	26.25	23.50	15.00	20.25	(11.55)	-44.00%	(8.80)	-37.45%	(0.30)	-2.00%	(5.55)	-27.41%
14	15.65	27.50	24.75	15.90	21.50	(11.85)	-43.09%	(9.10)	-36.77%	(0.25)	-1.57%	(5.85)	-27.21%
15	16.60	29.00	26.25	16.80	22.75	(12.40)	-42.76%	(9.65)	-36.76%	(0.20)	-1.19%	(6.15)	-27.03%
16	17.50	30.00	27.50	17.60	24.00	(12.50)	-41.67%	(10.00)	-36.36%	(0.10)	-0.57%	(6.50)	-27.08%
17	18.45	31.00	28.75	18.40	25.00	(12.55)	-40.48%	(10.30)	-35.83%	0.05	0.27%	(6.55)	-26.20%
18	19.40	32.00	30.00	19.20	26.00	(12.60)	-39.38%	(10.60)	-35.33%	0.20	1.04%	(6.60)	-25.38%
19	20.30	33.00	31.25	20.00	27.00	(12.70)	-38.48%	(10.95)	-35.04%	0.30	1.50%	(6.70)	-24.81%
20	21.25	34.00	32.75	20.80	28.00	(12.75)	-37.50%	(11.50)	-35.11%	0.45	2.16%	(6.75)	-24.11%
21	22.20	35.00	34.25	21.60	29.00	(12.80)	-36.57%	(12.05)	-35.18%	0.60	2.78%	(6.80)	-23.45%
22	23.10	36.00	35.50	22.40	30.00	(12.90)	-35.83%	(12.40)	-34.93%	0.70	3.13%	(6.90)	-23.00%
23	24.05	37.00	36.75	23.20	31.00	(12.95)	-35.00%	(12.70)	-34.56%	0.85	3.66%	(6.95)	-22.42%
24	25.00	38.00	38.25	24.00	32.00	(13.00)	-34.21%	(13.25)	-34.64%	1.00	4.17%	(7.00)	-21.88%
25	25.90	39.00	39.50	24.80	33.00	(13.10)	-33.59%	(13.60)	-34.43%	1.10	4.44%	(7.10)	-21.52%
26	26.85	40.00	40.75	25.60	34.00	(13.15)	-32.88%	(13.90)	-34.11%	1.25	4.88%	(7.15)	-21.03%
27	27.80	41.00	42.00	26.40	35.00	(13.20)	-32.20%	(14.20)	-33.81%	1.40	5.30%	(7.20)	-20.57%
28	28.70	42.00	43.25	27.30	36.00	(13.30)	-31.67%	(14.55)	-33.64%	1.40	5.13%	(7.30)	-20.28%
29	29.65	43.00	44.50	28.20	37.00	(13.35)	-31.05%	(14.85)	-33.37%	1.45	5.14%	(7.35)	-19.86%
30	30.60	44.00	46.00	29.00	38.00	(13.40)	-30.45%	(15.40)	-33.48%	1.60	5.52%	(7.40)	-19.47%
31	31.55	45.25	47.25	29.80	39.00	(13.70)	-30.28%	(15.70)	-33.23%	1.75	5.87%	(7.45)	-19.10%
32	32.45	46.50	48.50	30.60	40.00	(14.05)	-30.22%	(16.05)	-33.09%	1.85	6.05%	(7.55)	-18.88%
33	33.40	47.75	49.75	31.40	41.00	(14.35)	-30.05%	(16.35)	-32.86%	2.00	6.37%	(7.60)	-18.54%
34	34.35	49.00	51.00	32.20	42.00	(14.65)	-29.90%	(16.65)	-32.65%	2.15	6.68%	(7.65)	-18.21%
35	35.25	50.25	52.50	33.00	43.00	(15.00)	-29.85%	(17.25)	-32.86%	2.25	6.82%	(7.75)	-18.02%
36	36.20	51.50	53.75	33.80	44.00	(15.30)	-29.71%	(17.55)	-32.65%	2.40	7.10%	(7.80)	-17.73%
37	37.15	52.75	55.00	34.60	45.00	(15.60)	-29.57%	(17.85)	-32.45%	2.55	7.37%	(7.85)	-17.44%
38	38.05	54.00	56.25	35.40	46.00	(15.95)	-29.54%	(18.20)	-32.36%	2.65	7.49%	(7.95)	-17.28%
39	39.00	55.00	57.50	36.20	47.00	(16.00)	-29.09%	(18.50)	-32.17%	2.80	7.73%	(8.00)	-17.02%
40	39.95	56.25	58.75	37.00	48.00	(16.30)	-28.98%	(18.80)	-32.00%	2.95	7.97%	(8.05)	-16.77%

Comparison of Proposed Priority Mail Rates with Other Rates
Zone 6 (1,001 - 1,400 miles)

Attachment to USPS/NDMS-T2-25

	1	2	3	4	5	6	7	8	9	10	11	12	13
Weight Not Over (pounds)	Priority Mail Proposed	FedEx 2Day	UPS 2nd Day Air	UPS 3 Day Select	Airborne Second Day	FedEx 2Day		UPS 2nd Day Air		UPS 3 Day Select		Airborne Second Day	
						Diff. - PM less FedEx	% Difference	Diff. - PM less UPS	% Difference	Diff. - PM less UPS	% Difference	Diff. - PM less Airb.	% Difference
41	40.85	57.50	60.00	37.80	49.00	(16.65)	-28.96%	(19.15)	-31.92%	3.05	8.07%	(8.15)	-16.63%
42	41.80	58.75	61.25	38.70	50.00	(16.95)	-28.85%	(19.45)	-31.76%	3.10	8.01%	(8.20)	-16.40%
43	42.75	59.75	62.50	39.50	51.00	(17.00)	-28.45%	(19.75)	-31.60%	3.25	8.23%	(8.25)	-16.18%
44	43.65	61.00	63.75	40.30	52.00	(17.35)	-28.44%	(20.10)	-31.53%	3.35	8.31%	(8.35)	-16.06%
45	44.60	62.25	65.00	41.10	53.00	(17.65)	-28.35%	(20.40)	-31.38%	3.50	8.52%	(8.40)	-15.85%
46	45.55	63.25	66.25	41.90	54.00	(17.70)	-27.98%	(20.70)	-31.25%	3.65	8.71%	(8.45)	-15.65%
47	46.45	64.50	67.50	42.70	55.00	(18.05)	-27.98%	(21.05)	-31.19%	3.75	8.78%	(8.55)	-15.55%
48	47.40	65.75	68.75	43.50	56.00	(18.35)	-27.91%	(21.35)	-31.05%	3.90	8.97%	(8.60)	-15.36%
49	48.35	67.00	70.00	44.30	57.00	(18.65)	-27.84%	(21.65)	-30.93%	4.05	9.14%	(8.65)	-15.18%
50	49.25	68.00	71.00	45.10	58.00	(18.75)	-27.57%	(21.75)	-30.63%	4.15	9.20%	(8.75)	-15.09%
51	50.20	69.25	72.25	45.90	59.00	(19.05)	-27.51%	(22.05)	-30.52%	4.30	9.37%	(8.80)	-14.92%
52	51.15	70.50	73.50	46.70	60.00	(19.35)	-27.45%	(22.35)	-30.41%	4.45	9.53%	(8.85)	-14.75%
53	52.05	71.50	74.75	47.50	61.00	(19.45)	-27.20%	(22.70)	-30.37%	4.55	9.58%	(8.95)	-14.67%
54	53.00	72.75	76.00	48.30	62.00	(19.75)	-27.15%	(23.00)	-30.26%	4.70	9.73%	(9.00)	-14.52%
55	53.95	73.75	77.00	49.20	63.00	(19.80)	-26.85%	(23.05)	-29.94%	4.75	9.65%	(9.05)	-14.37%
56	54.85	75.00	78.25	50.00	64.00	(20.15)	-26.87%	(23.40)	-29.90%	4.85	9.70%	(9.15)	-14.30%
57	55.80	76.25	79.50	50.80	65.00	(20.45)	-26.82%	(23.70)	-29.81%	5.00	9.84%	(9.20)	-14.15%
58	56.75	77.25	80.75	51.60	66.00	(20.50)	-26.54%	(24.00)	-29.72%	5.15	9.98%	(9.25)	-14.02%
59	57.65	78.50	82.00	52.40	67.00	(20.85)	-26.56%	(24.35)	-29.70%	5.25	10.02%	(9.35)	-13.96%
60	58.60	79.75	83.25	53.20	68.00	(21.15)	-26.52%	(24.65)	-29.61%	5.40	10.15%	(9.40)	-13.82%
61	59.55	80.75	84.50	54.10	69.00	(21.20)	-26.25%	(24.95)	-29.53%	5.45	10.07%	(9.45)	-13.70%
62	60.45	82.00	85.75	54.90	70.00	(21.55)	-26.28%	(25.30)	-29.50%	5.55	10.11%	(9.55)	-13.64%
63	61.40	83.25	87.00	55.70	71.00	(21.85)	-26.25%	(25.60)	-29.43%	5.70	10.23%	(9.60)	-13.52%
64	62.35	84.50	88.25	56.50	72.00	(22.15)	-26.21%	(25.90)	-29.35%	5.85	10.35%	(9.65)	-13.40%
65	63.25	85.75	89.75	57.30	73.00	(22.50)	-26.24%	(26.50)	-29.53%	5.95	10.38%	(9.75)	-13.36%
66	64.20	86.75	91.00	58.10	74.10	(22.55)	-25.99%	(26.80)	-29.45%	6.10	10.50%	(9.90)	-13.36%
67	65.15	88.00	92.25	58.90	75.20	(22.85)	-25.97%	(27.10)	-29.38%	6.25	10.61%	(10.05)	-13.36%
68	66.05	89.25	93.50	59.70	76.30	(23.20)	-25.99%	(27.45)	-29.36%	6.35	10.64%	(10.25)	-13.43%
69	67.00	90.50	94.75	60.50	77.40	(23.50)	-25.97%	(27.75)	-29.29%	6.50	10.74%	(10.40)	-13.44%
70	67.95	91.75	96.00	61.30	78.50	(23.80)	-25.94%	(28.05)	-29.22%	6.65	10.85%	(10.55)	-13.44%

Comparison of Proposed Priority Mail Rates with Other Rates
Zone 7 (1,401 to 1,800 miles)

Attachment to USPS/NDMS-T2-25

	1	2	3	4	5	6	7	8	9	10	11	12	13
Weight Not Over (pounds)	Priority Mail Proposed	FedEx 2Day	UPS 2nd Day Air	UPS 3 Day Select	Airborne Second Day	FedEx 2Day		UPS 2nd Day Air		UPS 3 Day Select		Airborne Second Day	
						Diff. - PM less FedEx	% Difference	Diff. - PM less UPS	% Difference	Diff. - PM less UPS	% Difference	Diff. - PM less Airb.	% Difference
2	\$3.20	\$9.75	\$9.00	\$6.50	\$7.75	(\$6.55)	-67.18%	(\$5.80)	-64.44%	(\$3.30)	-50.77%	(\$4.55)	-58.71%
3	4.40	11.25	10.25	7.40	8.50	(6.85)	-60.89%	(5.85)	-57.07%	(3.00)	-40.54%	(4.10)	-48.24%
4	5.50	12.75	11.50	8.30	9.00	(7.25)	-56.86%	(6.00)	-52.17%	(2.80)	-33.73%	(3.50)	-38.89%
5	6.60	14.50	13.00	9.10	9.75	(7.90)	-54.48%	(6.40)	-49.23%	(2.50)	-27.47%	(3.15)	-32.31%
6	8.25	16.50	14.50	10.00	11.00	(8.25)	-50.00%	(6.25)	-43.10%	(1.75)	-17.50%	(2.75)	-25.00%
7	9.85	18.00	16.00	10.90	12.50	(8.15)	-45.28%	(6.15)	-38.44%	(1.05)	-9.63%	(2.65)	-21.20%
8	10.85	20.25	17.75	11.90	13.75	(9.40)	-46.42%	(6.90)	-38.87%	(1.05)	-8.82%	(2.90)	-21.09%
9	11.90	21.50	19.25	12.80	15.00	(9.60)	-44.65%	(7.35)	-38.18%	(0.90)	-7.03%	(3.10)	-20.67%
10	12.80	23.00	20.75	13.70	16.00	(10.20)	-44.35%	(7.95)	-38.31%	(0.90)	-6.57%	(3.20)	-20.00%
11	13.85	24.50	22.00	14.60	17.50	(10.65)	-43.47%	(8.15)	-37.05%	(0.75)	-5.14%	(3.65)	-20.86%
12	14.85	26.00	23.25	15.50	18.75	(11.15)	-42.88%	(8.40)	-36.13%	(0.65)	-4.19%	(3.90)	-20.80%
13	15.90	27.00	24.50	16.40	20.25	(11.10)	-41.11%	(8.60)	-35.10%	(0.50)	-3.05%	(4.35)	-21.48%
14	16.90	28.50	25.75	17.30	21.50	(11.60)	-40.70%	(8.85)	-34.37%	(0.40)	-2.31%	(4.60)	-21.40%
15	17.95	30.00	27.00	18.20	22.75	(12.05)	-40.17%	(9.05)	-33.52%	(0.25)	-1.37%	(4.80)	-21.10%
16	18.95	31.25	28.25	19.10	24.00	(12.30)	-39.36%	(9.30)	-32.92%	(0.15)	-0.79%	(5.05)	-21.04%
17	20.00	32.25	29.75	20.00	25.00	(12.25)	-37.98%	(9.75)	-32.77%	0.00	0.00%	(5.00)	-20.00%
18	21.00	33.50	31.25	20.90	26.00	(12.50)	-37.31%	(10.25)	-32.80%	0.10	0.48%	(5.00)	-19.23%
19	22.05	34.75	33.00	21.80	27.00	(12.70)	-36.55%	(10.95)	-33.18%	0.25	1.15%	(4.95)	-18.33%
20	23.05	35.75	34.75	22.70	28.00	(12.70)	-35.52%	(11.70)	-33.67%	0.35	1.54%	(4.95)	-17.68%
21	24.10	37.00	36.50	23.60	29.00	(12.90)	-34.86%	(12.40)	-33.97%	0.50	2.12%	(4.90)	-16.90%
22	25.10	38.25	38.00	24.50	30.00	(13.15)	-34.38%	(12.90)	-33.95%	0.60	2.45%	(4.90)	-16.33%
23	26.15	39.25	39.50	25.40	31.00	(13.10)	-33.38%	(13.35)	-33.80%	0.75	2.95%	(4.85)	-15.65%
24	27.15	40.50	41.00	26.30	32.00	(13.35)	-32.96%	(13.85)	-33.78%	0.85	3.23%	(4.85)	-15.16%
25	28.20	41.75	42.25	27.20	33.00	(13.55)	-32.46%	(14.05)	-33.25%	1.00	3.68%	(4.80)	-14.55%
26	29.20	42.75	43.50	28.10	34.00	(13.55)	-31.70%	(14.30)	-32.87%	1.10	3.91%	(4.80)	-14.12%
27	30.25	44.00	45.00	29.00	35.00	(13.75)	-31.25%	(14.75)	-32.78%	1.25	4.31%	(4.75)	-13.57%
28	31.25	45.25	46.50	29.90	36.00	(14.00)	-30.94%	(15.25)	-32.80%	1.35	4.52%	(4.75)	-13.19%
29	32.30	46.25	48.00	30.80	37.00	(13.95)	-30.16%	(15.70)	-32.71%	1.50	4.87%	(4.70)	-12.70%
30	33.30	47.50	49.50	31.60	38.00	(14.20)	-29.89%	(16.20)	-32.73%	1.70	5.38%	(4.70)	-12.37%
31	34.35	49.00	50.75	32.50	39.00	(14.65)	-29.90%	(16.40)	-32.32%	1.85	5.69%	(4.65)	-11.92%
32	35.35	50.25	52.00	33.40	40.00	(14.90)	-29.65%	(16.65)	-32.02%	1.95	5.84%	(4.65)	-11.63%
33	36.40	51.50	53.50	34.30	41.00	(15.10)	-29.32%	(17.10)	-31.96%	2.10	6.12%	(4.60)	-11.22%
34	37.40	53.00	55.00	35.10	42.00	(15.60)	-29.43%	(17.60)	-32.00%	2.30	6.55%	(4.60)	-10.95%
35	38.40	54.25	56.25	35.90	43.00	(15.85)	-29.22%	(17.85)	-31.73%	2.50	6.96%	(4.60)	-10.70%
36	39.45	55.50	57.50	36.80	44.00	(16.05)	-28.92%	(18.05)	-31.39%	2.65	7.20%	(4.55)	-10.34%
37	40.45	57.00	59.00	37.70	45.00	(16.55)	-29.04%	(18.55)	-31.44%	2.75	7.29%	(4.55)	-10.11%
38	41.50	58.25	60.50	38.60	46.00	(16.75)	-28.76%	(19.00)	-31.40%	2.90	7.51%	(4.50)	-9.78%
39	42.50	59.50	61.75	39.50	47.00	(17.00)	-28.57%	(19.25)	-31.17%	3.00	7.59%	(4.50)	-9.57%
40	43.55	60.75	63.00	40.40	48.00	(17.20)	-28.31%	(19.45)	-30.87%	3.15	7.80%	(4.45)	-9.27%

Comparison of Proposed Priority Mail Rates with Other Rates
Zone 7 (1,401 to 1,800 miles)

Attachment to USPS/NDMS-T2-25

	1	2	3	4	5	6	7	8	9	10	11	12	13
Weight Not Over (pounds)	Priority Mail Proposed	FedEx 2Day	UPS 2nd Day Air	UPS 3 Day Select	Airborne Second Day	FedEx 2Day		UPS 2nd Day Air		UPS 3 Day Select		Airborne Second Day	
						Diff. - PM less FedEx	% Difference	Diff. - PM less UPS	% Difference	Diff. - PM less UPS	% Difference	Diff. - PM less Airb.	% Difference
41	44.55	62.25	64.50	41.20	49.00	(17.70)	-28.43%	(19.95)	-30.93%	3.35	8.13%	(4.45)	-9.08%
42	45.60	63.50	66.00	42.10	50.00	(17.90)	-28.19%	(20.40)	-30.91%	3.50	8.31%	(4.40)	-8.80%
43	46.60	64.75	67.25	43.00	51.00	(18.15)	-28.03%	(20.65)	-30.71%	3.60	8.37%	(4.40)	-8.63%
44	47.65	66.00	68.50	43.90	52.00	(18.35)	-27.80%	(20.85)	-30.44%	3.75	8.54%	(4.35)	-8.37%
45	48.65	67.25	69.75	44.80	53.00	(18.60)	-27.66%	(21.10)	-30.25%	3.85	8.59%	(4.35)	-8.21%
46	49.70	68.50	71.00	45.70	54.00	(18.80)	-27.45%	(21.30)	-30.00%	4.00	8.75%	(4.30)	-7.96%
47	50.70	69.75	72.50	46.60	55.00	(19.05)	-27.31%	(21.80)	-30.07%	4.10	8.80%	(4.30)	-7.82%
48	51.75	71.25	74.00	47.50	56.00	(19.50)	-27.37%	(22.25)	-30.07%	4.25	8.95%	(4.25)	-7.59%
49	52.75	72.50	75.25	48.40	57.00	(19.75)	-27.24%	(22.50)	-29.90%	4.35	8.99%	(4.25)	-7.46%
50	53.80	73.75	76.50	49.30	58.00	(19.95)	-27.05%	(22.70)	-29.67%	4.50	9.13%	(4.20)	-7.24%
51	54.80	75.00	78.00	50.20	59.00	(20.20)	-26.93%	(23.20)	-29.74%	4.60	9.16%	(4.20)	-7.12%
52	55.85	76.25	79.25	51.00	60.00	(20.40)	-26.75%	(23.40)	-29.53%	4.85	9.51%	(4.15)	-6.92%
53	56.85	77.50	80.50	51.90	61.00	(20.65)	-26.65%	(23.65)	-29.38%	4.95	9.54%	(4.15)	-6.80%
54	57.90	78.75	81.75	52.80	62.00	(20.85)	-26.48%	(23.85)	-29.17%	5.10	9.66%	(4.10)	-6.61%
55	58.90	80.00	83.25	53.70	63.00	(21.10)	-26.38%	(24.35)	-29.25%	5.20	9.68%	(4.10)	-6.51%
56	59.95	81.25	84.50	54.60	64.00	(21.30)	-26.22%	(24.55)	-29.05%	5.35	9.80%	(4.05)	-6.33%
57	60.95	82.50	85.75	55.50	65.00	(21.55)	-26.12%	(24.80)	-28.92%	5.45	9.82%	(4.05)	-6.23%
58	62.00	83.75	87.00	56.40	66.00	(21.75)	-25.97%	(25.00)	-28.74%	5.60	9.93%	(4.00)	-6.06%
59	63.00	85.00	88.25	57.30	67.00	(22.00)	-25.88%	(25.25)	-28.61%	5.70	9.95%	(4.00)	-5.97%
60	64.05	86.25	89.50	58.20	68.00	(22.20)	-25.74%	(25.45)	-28.44%	5.85	10.05%	(3.95)	-5.81%
61	65.05	87.50	91.00	59.10	69.00	(22.45)	-25.66%	(25.95)	-28.52%	5.95	10.07%	(3.95)	-5.72%
62	66.10	89.00	92.50	60.00	70.00	(22.90)	-25.73%	(26.40)	-28.54%	6.10	10.17%	(3.90)	-5.57%
63	67.10	90.25	93.75	60.90	71.00	(23.15)	-25.65%	(26.65)	-28.43%	6.20	10.18%	(3.90)	-5.49%
64	68.15	91.50	95.00	61.80	72.00	(23.35)	-25.52%	(26.85)	-28.26%	6.35	10.28%	(3.85)	-5.35%
65	69.15	93.00	96.50	62.70	73.00	(23.85)	-25.65%	(27.35)	-28.34%	6.45	10.29%	(3.85)	-5.27%
66	70.20	94.25	97.75	63.60	74.10	(24.05)	-25.52%	(27.55)	-28.18%	6.60	10.38%	(3.90)	-5.26%
67	71.20	95.50	99.25	64.50	75.20	(24.30)	-25.45%	(28.05)	-28.26%	6.70	10.39%	(4.00)	-5.32%
68	72.25	97.00	100.75	65.40	76.30	(24.75)	-25.52%	(28.50)	-28.29%	6.85	10.47%	(4.05)	-5.31%
69	73.25	98.25	102.00	66.30	77.40	(25.00)	-25.45%	(28.75)	-28.19%	6.95	10.48%	(4.15)	-5.36%
70	74.30	99.50	103.25	67.20	78.50	(25.20)	-25.33%	(28.95)	-28.04%	7.10	10.57%	(4.20)	-5.35%

Comparison of Proposed Priority Mail Rates with Other Rates
Zone 8 (1,801 miles or more)

Attachment to USPS/NDMS-T2-25

	1	2	3	4	5	6	7	8	9	10	11	12	13
Weight	Priority	FedEx	UPS	UPS	Airborne	FedEx 2Day		UPS 2nd Day Air		UPS 3 Day Select		Airborne Second Day	
Not Over	Mail	2Day	2nd Day	3 Day	Second	Diff. - PM	%	Diff. - PM	%	Diff. - PM	%	Diff. - PM	%
(pounds)	Proposed		Air	Select	Day	less FedEx	Difference	less UPS	Difference	less UPS	Difference	less Airb.	Difference
2	\$3.20	\$10.25	\$9.50	\$6.80	\$7.75	(\$7.05)	-68.78%	(\$6.30)	-66.32%	(\$3.60)	-52.94%	(\$4.55)	-58.71%
3	4.40	11.50	10.50	7.80	8.50	(7.10)	-61.74%	(6.10)	-58.10%	(3.40)	-43.59%	(4.10)	-48.24%
4	5.50	13.25	12.00	8.80	9.00	(7.75)	-58.49%	(6.50)	-54.17%	(3.30)	-37.50%	(3.50)	-38.89%
5	6.60	15.00	13.50	9.70	9.75	(8.40)	-56.00%	(6.90)	-51.11%	(3.10)	-31.96%	(3.15)	-32.31%
6	8.75	17.00	15.25	10.70	11.00	(8.25)	-48.53%	(6.50)	-42.62%	(1.95)	-18.22%	(2.25)	-20.45%
7	11.15	19.00	17.00	11.70	12.50	(7.85)	-41.32%	(5.85)	-34.41%	(0.55)	-4.70%	(1.35)	-10.80%
8	12.40	21.00	18.50	12.70	13.75	(8.60)	-40.95%	(6.10)	-32.97%	(0.30)	-2.36%	(1.35)	-9.82%
9	13.65	22.50	19.75	13.70	15.00	(8.85)	-39.33%	(6.10)	-30.89%	(0.05)	-0.36%	(1.35)	-9.00%
10	14.85	23.75	21.25	14.70	16.00	(8.90)	-37.47%	(6.40)	-30.12%	0.15	1.02%	(1.15)	-7.19%
11	16.10	25.25	22.75	15.70	17.50	(9.15)	-36.24%	(6.65)	-29.23%	0.40	2.55%	(1.40)	-8.00%
12	17.35	26.75	24.00	16.70	18.75	(9.40)	-35.14%	(6.65)	-27.71%	0.65	3.89%	(1.40)	-7.47%
13	18.60	28.25	25.25	17.70	20.25	(9.65)	-34.16%	(6.65)	-26.34%	0.90	5.08%	(1.65)	-8.15%
14	19.85	29.50	26.50	18.70	21.50	(9.65)	-32.71%	(6.65)	-25.09%	1.15	6.15%	(1.65)	-7.67%
15	21.05	31.00	28.00	19.70	22.75	(9.95)	-32.10%	(6.95)	-24.82%	1.35	6.85%	(1.70)	-7.47%
16	22.30	32.25	29.25	20.70	24.00	(9.95)	-30.85%	(6.95)	-23.76%	1.60	7.73%	(1.70)	-7.08%
17	23.55	33.50	30.75	21.70	25.00	(9.95)	-29.70%	(7.20)	-23.41%	1.85	8.53%	(1.45)	-5.80%
18	24.80	34.75	32.25	22.70	26.00	(9.95)	-28.63%	(7.45)	-23.10%	2.10	9.25%	(1.20)	-4.62%
19	26.05	36.00	34.00	23.70	27.00	(9.95)	-27.64%	(7.95)	-23.38%	2.35	9.92%	(0.95)	-3.52%
20	27.25	37.25	35.75	24.60	28.00	(10.00)	-26.85%	(8.50)	-23.78%	2.65	10.77%	(0.75)	-2.68%
21	28.50	38.50	37.50	25.50	29.00	(10.00)	-25.97%	(9.00)	-24.00%	3.00	11.76%	(0.50)	-1.72%
22	29.75	39.75	39.25	26.50	30.00	(10.00)	-25.16%	(9.50)	-24.20%	3.25	12.26%	(0.25)	-0.83%
23	31.00	41.25	40.75	27.50	31.00	(10.25)	-24.85%	(9.75)	-23.93%	3.50	12.73%	0.00	0.00%
24	32.25	42.50	42.50	28.50	32.00	(10.25)	-24.12%	(10.25)	-24.12%	3.75	13.16%	0.25	0.78%
25	33.45	43.75	44.00	29.50	33.00	(10.30)	-23.54%	(10.55)	-23.98%	3.95	13.39%	0.45	1.36%
26	34.70	45.00	45.50	30.50	34.00	(10.30)	-22.89%	(10.80)	-23.74%	4.20	13.77%	0.70	2.06%
27	35.95	46.25	47.00	31.50	35.00	(10.30)	-22.27%	(11.05)	-23.51%	4.45	14.13%	0.95	2.71%
28	37.20	47.50	48.75	32.50	36.00	(10.30)	-21.68%	(11.55)	-23.69%	4.70	14.46%	1.20	3.33%
29	38.45	48.75	50.25	33.50	37.00	(10.30)	-21.13%	(11.80)	-23.48%	4.95	14.78%	1.45	3.92%
30	39.65	50.00	51.75	34.40	38.00	(10.35)	-20.70%	(12.10)	-23.38%	5.25	15.26%	1.65	4.34%
31	40.90	51.50	53.25	35.30	39.00	(10.60)	-20.58%	(12.35)	-23.19%	5.60	15.86%	1.90	4.87%
32	42.15	52.75	54.75	36.30	40.00	(10.60)	-20.09%	(12.60)	-23.01%	5.85	16.12%	2.15	5.36%
33	43.40	54.00	56.00	37.30	41.00	(10.60)	-19.63%	(12.60)	-22.50%	6.10	16.35%	2.40	5.85%
34	44.65	55.50	57.50	38.30	42.00	(10.85)	-19.55%	(12.85)	-22.35%	6.35	16.58%	2.65	6.31%
35	45.85	56.75	58.75	39.30	43.00	(10.90)	-19.21%	(12.90)	-21.96%	6.55	16.67%	2.85	6.63%
36	47.10	58.00	60.00	40.30	44.00	(10.90)	-18.79%	(12.90)	-21.50%	6.80	16.87%	3.10	7.05%
37	48.35	59.25	61.50	41.20	45.00	(10.90)	-18.40%	(13.15)	-21.38%	7.15	17.35%	3.35	7.44%
38	49.60	60.75	63.00	42.20	46.00	(11.15)	-18.35%	(13.40)	-21.27%	7.40	17.54%	3.60	7.83%
39	50.85	62.25	64.50	43.20	47.00	(11.40)	-18.31%	(13.65)	-21.16%	7.65	17.71%	3.85	8.19%
40	52.10	63.50	65.75	44.20	48.00	(11.40)	-17.95%	(13.65)	-20.76%	7.90	17.87%	4.10	8.54%

Comparison of Proposed Priority Mail Rates with Other Rates
Zone 8 (1,801 miles or more)

Attachment to USPS/NDMS-T2-25

	1	2	3	4	5	6	7	8	9	10	11	12	13
Weight Not Over (pounds)	Priority Mail Proposed	FedEx 2Day	UPS 2nd Day Air	UPS 3 Day Select	Airborne Second Day	FedEx 2Day		UPS 2nd Day Air		UPS 3 Day Select		Airborne Second Day	
						Diff. - PM less FedEx	% Difference	Diff. - PM less UPS	% Difference	Diff. - PM less UPS	% Difference	Diff. - PM less Airb.	% Difference
41	53.30	65.00	67.25	45.20	49.00	(11.70)	-18.00%	(13.95)	-20.74%	8.10	17.92%	4.30	8.78%
42	54.55	66.25	68.75	46.20	50.00	(11.70)	-17.66%	(14.20)	-20.65%	8.35	18.07%	4.55	9.10%
43	55.80	67.50	70.00	47.20	51.00	(11.70)	-17.33%	(14.20)	-20.29%	8.60	18.22%	4.80	9.41%
44	57.05	68.75	71.25	48.10	52.00	(11.70)	-17.02%	(14.20)	-19.93%	8.95	18.61%	5.05	9.71%
45	58.30	70.00	72.50	49.10	53.00	(11.70)	-16.71%	(14.20)	-19.59%	9.20	18.74%	5.30	10.00%
46	59.50	71.25	73.75	50.10	54.00	(11.75)	-16.49%	(14.25)	-19.32%	9.40	18.76%	5.50	10.19%
47	60.75	72.50	75.25	51.10	55.00	(11.75)	-16.21%	(14.50)	-19.27%	9.65	18.88%	5.75	10.45%
48	62.00	73.75	76.50	52.10	56.00	(11.75)	-15.93%	(14.50)	-18.95%	9.90	19.00%	6.00	10.71%
49	63.25	75.00	77.75	53.10	57.00	(11.75)	-15.67%	(14.50)	-18.65%	10.15	19.11%	6.25	10.96%
50	64.50	76.25	79.00	54.10	58.00	(11.75)	-15.41%	(14.50)	-18.35%	10.40	19.22%	6.50	11.21%
51	65.70	77.50	80.25	55.10	59.00	(11.80)	-15.23%	(14.55)	-18.13%	10.60	19.24%	6.70	11.36%
52	66.95	78.75	81.50	56.10	60.00	(11.80)	-14.98%	(14.55)	-17.85%	10.85	19.34%	6.95	11.58%
53	68.20	80.00	83.00	57.10	61.00	(11.80)	-14.75%	(14.80)	-17.83%	11.10	19.44%	7.20	11.80%
54	69.45	81.25	84.25	58.10	62.00	(11.80)	-14.52%	(14.80)	-17.57%	11.35	19.54%	7.45	12.02%
55	70.70	82.50	85.50	59.10	63.00	(11.80)	-14.30%	(14.80)	-17.31%	11.60	19.63%	7.70	12.22%
56	71.90	83.75	86.75	60.10	64.00	(11.85)	-14.15%	(14.85)	-17.12%	11.80	19.63%	7.90	12.34%
57	73.15	85.00	88.00	61.10	65.00	(11.85)	-13.94%	(14.85)	-16.88%	12.05	19.72%	8.15	12.54%
58	74.40	86.25	89.50	62.10	66.00	(11.85)	-13.74%	(15.10)	-16.87%	12.30	19.81%	8.40	12.73%
59	75.65	87.50	90.75	63.10	67.00	(11.85)	-13.54%	(15.10)	-16.64%	12.55	19.89%	8.65	12.91%
60	76.90	89.00	92.25	64.10	68.00	(12.10)	-13.60%	(15.35)	-16.64%	12.80	19.97%	8.90	13.09%
61	78.10	90.25	93.50	65.10	69.00	(12.15)	-13.46%	(15.40)	-16.47%	13.00	19.97%	9.10	13.19%
62	79.35	91.75	95.00	66.10	70.00	(12.40)	-13.51%	(15.65)	-16.47%	13.25	20.05%	9.35	13.36%
63	80.60	93.00	96.50	67.10	71.00	(12.40)	-13.33%	(15.90)	-16.48%	13.50	20.12%	9.60	13.52%
64	81.85	94.50	98.00	68.00	72.00	(12.65)	-13.39%	(16.15)	-16.48%	13.85	20.37%	9.85	13.68%
65	83.10	95.75	99.25	69.00	73.00	(12.65)	-13.21%	(16.15)	-16.27%	14.10	20.43%	10.10	13.84%
66	84.30	97.25	100.75	70.00	74.10	(12.95)	-13.32%	(16.45)	-16.33%	14.30	20.43%	10.20	13.77%
67	85.55	98.50	102.25	71.00	75.20	(12.95)	-13.15%	(16.70)	-16.33%	14.55	20.49%	10.35	13.76%
68	86.80	100.00	103.75	72.00	76.30	(13.20)	-13.20%	(16.95)	-16.34%	14.80	20.56%	10.50	13.76%
69	88.05	101.25	105.00	73.00	77.40	(13.20)	-13.04%	(16.95)	-16.14%	15.05	20.62%	10.65	13.76%
70	89.30	102.75	106.50	73.90	78.50	(13.45)	-13.09%	(17.20)	-16.15%	15.40	20.84%	10.80	13.76%

Response of Dr. John Haldi to USPS/NDMS-T2-26
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USPS/NDMS-T2-26

Please refer to your footnote 25 on page 25 where you state: "No basis exists for estimating different elasticities for individual cells, nor is it necessary to do so in order to utilize the alternative procedure proposed here."

- a. Please confirm your understanding that the own-price elasticity estimated by Dr. Musgrave for Priority Mail is based on average changes in rates and volumes. If you cannot confirm, please explain fully.
- b. Please confirm that such an estimate may not hold for any particular rate and volume change in any particular cell. If you cannot confirm, please explain fully.
- c. Please confirm that the use of the estimate developed as an aggregate figure in the method you are proposing, in effect, treats that estimate as if it holds for individual cells. If you cannot confirm, please explain fully.
- d. Please confirm that the use of the estimate developed as an aggregate figure in the method you are proposing assumes, in effect, that volume in each cell is totally unaffected by rate changes in any other cell. If you cannot confirm, please explain fully.

Response:

- (a) Confirmed.
- (b) Confirmed. If a better estimate were to become available for any particular cell, or for any particular subset of cells, such better information should of course be used. Until such better information is available, I recommend using the own-price elasticity based on average changes in rates and volumes, as estimated by Dr. Musgrave. I would also note that the estimates for individual cells developed under the existing procedure may not hold either, especially for

cells that experience somewhat higher-than-average rate increases.

- (c) Confirmed. When rates change by a uniform percentage amount (*i.e.*, when there is an across-the-board percentage rate increase) the existing procedure is essentially no different than my proposed alternate procedure; *i.e.*, the results are the same. When rates do not change by a uniform percentage amount, one must either (i) use the existing procedure, which ignores totally rate design and all differences in proposed percentage changes in rates, no matter how great or small such differences may be, or (ii) develop a better procedure which recognizes different percentage changes and the effect which such changes may have on demand. Either procedure projects volumes cell-by-cell, and multiplying the projected volumes in each cell times the proposed rates for each cell results in a revenue projection. Revenues projected with my alternate procedure are, in my opinion, more conservative and more realistic.
- (d) Confirmed. The existing procedure for projecting volumes likewise assumes that the volume in each cell is totally unaffected by rate changes in any other cell, *as well as the rate change for the cell itself*. My alternate procedure at least is an improvement over this practice.

USPS/NDMS-T2-27

Please refer to your footnote 27 on page 26 where you indicate that “it is a straightforward exercise to compute revised costs by multiplying TYAR volumes in each cell by the cost in each cell.” Please confirm that such an exercise assumes that the costs are fully (100%) volume variable. If you cannot confirm, please explain how you have taken into account the changes in unit costs which would result as volume changes.

Response:

Confirmed. The costs for each rate cell were computed on the basis of volume variable costs. I am not aware that the estimates of volume variable unit costs for Priority Mail reflect either diseconomies, on the one hand, or economies of scale and scope, on the other hand.

USPS/NDMS-T2-28

Please refer to your testimony at page 36, lines 6 through 10, where you discuss the alleged failure of the Postal Service's rate design to recognize dropshipment. Please provide your estimate of the percent of Priority Mail weighing more than five pounds that is dropshipment Priority Mail, and indicate the source of your figure.

Response:

I do not have a precise figure. However, in Docket No. R90-1, I aggregated confidential data for my through-the-mail photofinisher clients and estimated that perhaps one-quarter of all Priority Mail volume in excess of 25 pounds represented dropshipment to SCFs. Since that time, I have become aware that other types of businesses, such as Merck-Medco and AARP, also use Priority Mail dropship for products such as prescription drugs, but I am not privy to their volumes of Priority Mail shipped nor have I updated data on Priority Mail shipments from my photofinisher clients.

USPS/NDMS-T2-29

Please refer to your testimony at page 36, lines 15 through 17, where you state the alleged failure to recognize worksharing in Priority Mail rates is "another reason why heavier weight Priority Mail rates should be kept more competitive with other providers of expedited delivery service."

- (a) Please provide charts indicating the rates actually paid by shippers of "heavier weight" items via competitors' services comparable to Priority Mail.
- (b) Can such competitors' services be used for dropshipment?

Response:

- (a) For published rates of competitors services comparable to Priority Mail, see my response to USPS/NDMS-T2-25. Discounting from published rates is generally acknowledged to be widespread, and I do not have any data on "the rates actually paid" by shippers of heavier weight items. I understand that a discount of at least 20 percent from published rates is common, with some large shippers perhaps getting even larger discounts. I have also seen advertisements stating that use of the American Express Gold Card with FedEx will give the user a 20 percent discount from FedEx's published rates. Also, membership in certain associations gets members an automatic 10 percent reduction in UPS Next Day Air rates irrespective of volume.
- (b) It is my understanding that some firms can use and have used competitors' services for dropshipment, although this presents extra administrative work for the mailer.

USPS/NDMS-T2-30

Please refer to your testimony at page 37, lines 10 through 13, where you state that “whatever is good for Periodicals and Standard A should be good for Priority Mail - and vice versa.”

- a. Please indicate your belief as to the similarity or dissimilarity of the markets for services for the three products listed above.
- b. Please reconcile this statement with your statement in your footnote 39 where you indicate that “Consolidation requires time and results in delay which is counter-productive for shippers who require expedited service.”

Response:

- (a) The context of my comment was the Postal Service’s consistency of the treatment of transportation costs in rate design. I noted where the Postal Service’s incorporation of transportation costs into its proposed third-class rates in Docket No. R90-1 resulted in rates which were “only as high as is required to cover the service provided.” (NDMS-T-2, p. 34, ll. 1-9). Immediately above the portion of testimony which you cite, I observe that this clear and compelling principle has never been applied by the Postal Service to Priority Mail.

As regards the market for these postal products, the market for delivery of Periodicals (especially dailies and weeklies) and Priority Mail are similar in that both groups of mailers want expedited, consistent and reliable delivery service at an affordable price. At the same time, affordability is probably more important for Periodicals than it is for Priority Mail. The market for Standard A differs insofar as mailers have more lead time, hence can plan ahead farther,

and therefore place a higher premium on consistency, reliability and affordability than they do on expedition.

- (b) The requirement for expedition gives a consolidator limited time to accumulate the full loads that are necessary to achieve low unit transportation cost through full utilization of capacity. Thus while parcel consolidators have helped make the Postal Service competitive with respect to parcel post, in the expedited market, consolidator firms that might work cooperatively with the Postal Service simply do not exist.

USPS/NDMS-T2-31

Please refer to your testimony at page 38 where you discuss the uniform increment for each additional pound in the unzoned rates. Please indicate your belief as to whether the success of the unzoned rates which you have observed is due to the fact that the difference between successive rates is the same amount, or the fact that the rates are at even dollar amounts. Explain fully.

Response:

In Docket No. R94-1, I argued strongly in favor of uniform increments for Priority Mail, which the Commission recommended. Although uniform rates (as well as the even dollar amounts) have doubtless been a factor in "the success of the unzoned rates," in all candor, most credit for the growth of the volume of unzoned Priority Mail must go to the substantial rate advantage enjoyed by 2 to 5 pound Priority Mail packages at the expense of zoned 6-70 pound Priority Mail (see my response to USPS/NDMS-T2-25). Looking only at the two factors which you mention, both the uniform increments and even dollar amounts contribute to simplicity of rates. I do not know which was more important. The combination of the two may also have been an important contributory factor.